# RECOVERY ACT: PROGRESS REPORT FOR HIGHWAY, TRANSIT, AND WASTEWATER INFRASTRUCTURE FORMULA INVESTMENTS

**(111–100)**

## HEARING

BEFORE THE

## COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE HOUSE OF REPRESENTATIVES

ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

March 26, 2010

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March 25, 2010

**SUMMARY OF SUBJECT MATTER**

**TO:** Members of the Committee on Transportation and Infrastructure

**FROM:** Committee on Transportation and Infrastructure Staff

**SUBJECT:** Hearing on "Recovery Act: Progress Report for Highway, Transit, and Wastewater Infrastructure Formula Investments"

### PURPOSE OF HEARING

The Committee on Transportation and Infrastructure will meet on Friday, March 26, 2010, at 11:00 a.m., in room 2167 of the Rayburn House Office Building to examine progress to date on implementing the American Recovery and Reinvestment Act (P.L. 111-5) (Recovery Act). The hearing will address implementation efforts in formula programs under the Committee's jurisdiction, including highways, transit, and wastewater infrastructure.

### BACKGROUND

**State of the Economy**

According to the Bureau of Labor Statistics (BLS), as of February 2010,[1] the unemployment rate was 9.7 percent – unchanged from January's rate, and slightly lower than the rate experienced from September through December of 2009. As of February 2010, there are 14.8 million unemployed persons in the United States for all sectors of the economy combined. In addition, when part-time and discouraged workers who want full-time jobs are included, the number of unemployed/under-employed workers increases to 26.2 million.

After workers have lost their jobs, they have had more trouble finding new jobs. The average length of unemployment is now 29.7 weeks. The number of workers who have been unemployed for longer than six months is now 6.1 million. One-half of the unemployed have been

[1] The latest month for which data is available.

out of work for more than 19.4 weeks and 41 percent have been out of work for more than six months.

In February 2010, the economy lost 36,000 jobs, while in February 2009, the economy lost 651,000 jobs.

The construction sector has lost 1,936,000 jobs since the recession began in December 2007. The unemployment rate in construction was 27.1 percent in February 2010. This is the highest unemployment rate of any industrial sector. As of February 2010, there are 2,440,000 unemployed construction workers in the nation.

The Transportation Construction Coalition reported that 63 percent of transportation contractors laid off employees in 2009, and 44 percent of contractors indicated they plan to lay off employees in 2010.

An analysis by a national transportation construction association shows between May 2009 and February 2010, the value of new contracts for highway pavement projects rose to $36.6 billion, a 19.4 percent increase from the period between May 2008 and February 2009. New contract awards for bridge construction projects also rose by 14.6 percent, from $11.9 billion to $13.6 billion. Furthermore, the value of highway and bridge projects is up by $2 billion in February 2010 compared to February 2009.

With this economic picture as the backdrop, Federal agencies, State and local governments, along with the private sector, are working together to implement the Recovery Act, to create and sustain family-wage jobs now and, at the same time, address the nation's long-term infrastructure investment needs.

RECOVERY ACT

On February 17, 2009, the Recovery Act was signed into law. The Act provides $38.4 billion of infrastructure investment for formula programs within the jurisdiction of the Committee on Transportation and Infrastructure, including:[2]

- $26.81 billion for Federal Aid-Highway Formula Investments and Puerto Rico and Territorial Highway Programs;
- $6.8 billion for Transit Urban and Rural Formula Grants;
- $750 million for Fixed Guideway Infrastructure Investment; and
- $4 billion for Clean Water State Revolving Fund (SRF).

## I. HIGHWAY, TRANSIT, AND WASTEWATER INFRASTRUCTURE FORMULA FUNDS

**Shovel-Ready Deadlines**

Highways

All States met the requirement that one hundred percent of highways formula funds be obligated within one-year (March 2, 2010) of apportionment. In total, the Federal Highway Administration (FHWA) approved 12,110 projects totaling $26.2 billion, or 100 percent of the available formula funds.[3]

Transit

All States and public transit agencies met the requirement that one hundred percent of transit formula funds be obligated within one-year (March 5, 2010) of apportionment. In total, the Federal Transit Administration (FTA) awarded 935 projects totaling $7.8 billion, or 100 percent of the available formula funds.[4]

Clean Water SRF

All States met the requirement that one hundred percent of wastewater infrastructure formula funds be under contract or construction within one year (February 17, 2010) of the date of enactment. In total, States have signed contracts for 1,950 projects totaling $3.8 billion, or 100 percent of the available formula funds.

[2] The Congressional Budget Office originally estimated the total cost of the Recovery Act to be $787 billion, and revised that figure in January 2010 to $862 billion.
[3] FHWA obligated less than their original allocation because 18 States chose to transfer funds for transit projects. Transfers occur when States and local authorities choose to use their Recovery Act highway funds for transit projects in their respective locale.
[4] FTA awarded more than their original allocation because FTA has received $345 million in 46 transfers from FHWA.

**Transparency and Accountability Information**

According to the latest submissions by States, metropolitan planning organizations (MPOs), and public transit agencies on their use of highway, transit, and wastewater infrastructure formula programs:

Out to Bid

As of February 28, 2010, 16,360 highway, transit, and wastewater infrastructure projects in all 50 States, five Territories, and the District of Columbia have been put out to bid totaling $33.4 billion, representing 88 percent of the total available formula funds.

Signed Contracts

Fifty States, five Territories, and the District of Columbia have signed contracts for 14,475 projects totaling $29.6 billion, representing 78 percent of the total available formula funds.

Work Underway

Work has begun on 12,545 projects in 50 States, four Territories, and the District of Columbia totaling $26.7 billion, representing 71 percent of the total available formula funds.

Work Completed

Work has been completed on 4,238 projects totaling $3.6 billion in 48 States and the District of Columbia, representing 10 percent of the total available formula funds.

Jobs Created

The 12,545 projects that are underway have created or sustained nearly 350,000 direct, on-project jobs.[5] Total employment from these projects, which includes direct, indirect, and induced jobs, reaches almost 1.2 million jobs.[6] Direct job creation from these formula projects has resulted in payroll expenditures of $1.8 billion. Using this data, the Committee calculates that $296 million in

[5] Direct jobs are charged directly to the project, and include workers employed to build a facility or upgrade equipment on-site. Consistent with the U.S. Department of Transportation's (DOT) reports pursuant to section 1201 of the Recovery Act, this figure is based on direct, on-project full-time-equivalent (FTE) job months. One person working full time or two people working one-half time for one month represents one FTE job month. FTE job months are calculated by dividing the number of cumulative direct, on-project job hours created or sustained by Recovery Act funds, as reported by States, MPOs, and public transit agencies, by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

[6] Indirect jobs are not charged directly to the project but are embedded in materials costs and include positions at companies that produce construction materials such as steel, sand, gravel, and asphalt, or manufacture equipment including new transit buses. Induced jobs are positions that are created or sustained when employees spend their increased incomes on goods and services. To calculate total employment, the Committee assumed that an expenditure of $7,667 creates one FTE job month ($92,000 creates one FTE job year). The multiplier is based upon the Council of Economic Advisers' guidance.

unemployment checks have been avoided as a result of this direct job creation.[7] Furthermore, these direct jobs have caused nearly $376 million to be paid in Federal taxes.[8]

Miles and Bridges Improved

Recovery Act investments will result in 34,438 miles of road improvement and 1,262 bridge improvements.

For additional information by State and formula program, see the attached tables, which include, 1) T&I Committee Transparency and Accountability Information by State and Formula Funding; 2) Highway Rankings; 3) Clean Water SRF Rankings; 4) Miles Improved; 5) Bridges Improved; and 6) Completed Projects.

## II. IMPLEMENTATION HIGHLIGHTS OF TRANSPORTATION AND INFRASTRUCTURE INVESTMENT

Of the $64.1 billion provided for transportation and infrastructure programs under the Recovery Act, which includes the formula investments described above, Federal, State, and local agencies administering programs within the Committee's jurisdiction have announced 18,978 transportation and other infrastructure projects totaling $62.5 billion, as of March 12, 2010. This amount represents 98 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $48.1 billion for 18,561 projects, representing 75 percent of the available funds.

To download a complete list of projects, please visit the Transparency and Accountability section of the Committee's website at: http://transportation.house.gov/, and click on "Transparency and Accountability Information by Project (Data Reported as of March 12, 2010)". The list may be searched by State, Congressional District, Federal agency, or program.

For additional information, see the attached report entitled *The American Recovery and Reinvestment Act of 2009, Transportation and Infrastructure Provisions Implementation Status as of March 12, 2010.*

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[7] The value of unemployment checks avoided is determined by multiplying FTE direct job months created or sustained by the average monthly unemployment benefits paid ($1,448.33) times the percentage of unemployed workers collecting unemployment benefits (58.6 percent). The Congressional Research Service (CRS) provided the Committee with this information.

[8] The value of Federal taxes paid is calculated by multiplying the direct jobs payroll by the average total Federal tax rate (20.45 percent) (the sum of the average tax rate with respect to adjusted gross income (12.8 percent) and average social insurance payments (7.65 percent) for the 2008 tax year). CRS provided the Committee with this information.

WITNESSES

**Ms. Joyce Fisk**
Truck Driver
Knife River Corporation

**Mr. Florentino Esparza Luna**
Carpenter
Cherry Hill Construction
representing the United Brotherhood of Carpenters

**Ms. Nancy J. Richardson**
Director
Iowa Department of Transportation
representing the American Association of State Highway and Transportation Officials

**Mr. Brad Miller**
General Manager
Des Moines Area Regional Transit Authority
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**Mr. Jeff Freeman**
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**Mr. Stephen D. Wright**
Vice President
Wright Brothers Construction Co., Inc.
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**Mr. Jeff Wharton**
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IMPulse NC LLC

**Ms. Veronique de Rugy**
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Mercatus Center at George Mason University

# COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

## The American Recovery and Reinvestment Act of 2009 Transportation and Infrastructure Provisions Implementation Status as of March 12, 2010

*Prepared for*

*The Honorable James L. Oberstar*
*Chairman*

*By the Committee on Transportation and Infrastructure*
*Majority Staff*

For Release on Delivery
March 25, 2010
2:00 p.m.

## EXECUTIVE SUMMARY

The transportation and infrastructure investments of the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) have played a key role in putting Americans back to work. Of the $64.1 billion provided for transportation and infrastructure programs under the Recovery Act, Federal, State, and local agencies administering programs within the Committee's jurisdiction have announced 18,978 transportation and other infrastructure projects totaling $62.5 billion, as of March 12, 2010. This amount represents 98 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $48.1 billion for 18,561 projects, representing 75 percent of the available funds.

The following transparency and accountability information demonstrates the successful implementation of Recovery Act highway, transit, and wastewater infrastructure formula fund investments: Of the $38 billion available for highway, transit, and wastewater infrastructure formula program projects under the Recovery Act, $33.4 billion, or 88 percent, has been put out to bid on 16,360 projects, as of February 28, 2010. Within this total, 14,475 projects (totaling $29.6 billion) are under contract. Across the nation, work has begun on 12,545 projects totaling $26.7 billion, or 70 percent. Within this total, work has been completed on 4,238 projects totaling $3.6 billion.

Every Recovery Act dollar available under the Clean Water program is now under contract. Furthermore, all States and public transit agencies have obligated 100 percent of their Recovery Act highway and transit formula funds.

These 12,545 projects have created or sustained nearly 350,000 direct, on-project jobs.[1] Total employment from these projects, which includes direct, indirect, and induced jobs, reaches almost 1.2 million jobs.[2] Direct job creation from these projects has resulted in payroll expenditures of $1.8 billion. Using this data, the Committee calculates that $296 million in unemployment checks have been avoided as a result of this direct job creation.[3] Furthermore, these direct jobs have caused nearly $376 million to be paid in Federal taxes.[4]

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[1] Consistent with the U.S. Department of Transportation's reports pursuant to section 1201 of the Recovery Act, the number of direct jobs is based on direct, on-project full-time-equivalent (FTE) job months. One person working full time or two people working one-half time for one month represents one FTE job month. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

[2] To calculate total employment, the Committee assumed that an expenditure of $7,667 creates one FTE job month ($92,000 creates one FTE job year). The multiplier is based upon the Council of Economic Advisers' guidance.

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**RECOVERY ACT PROVISIONS**

**$64.1 BILLION FOR TRANSPORTATION AND INFRASTRUCTURE INVESTMENT**

- The Recovery Act provides **$64.1 billion** of infrastructure investment to enhance the safety, security, and efficiency of our highway, transit, rail, aviation, environmental, flood control, inland waterways, public buildings, and maritime transportation infrastructure.

- The $64.1 billion of Federal transportation and infrastructure investment will **create or sustain more than 1.8 million jobs and $323 billion of economic activity**.

- Specifically, **the Recovery Act provides**:

  - **Highways and Bridges:** **$27.5 billion**
    including Federal-aid Highway formula ($26.8 billion), Indian Reservation Roads ($310 million), National Park Roads ($170 million), Forest Roads ($60 million), Refuge Roads ($10 million), Ferry Boats and Ferry Terminal facilities ($60 million), On-the-Job Training ($20 million), and Disadvantaged Business Enterprise bonding assistance ($20 million)

  - **Transit:** **$8.4 billion**
    including Transit Urban and Rural formula ($6.8 billion), Transit Greenhouse Gas and Energy Reduction program ($100 million), Fixed Guideway Modernization formula ($750 million), and New Starts grants ($750 million)

  - **Rail:** **$9.3 billion**
    including High-speed Rail and Intercity Passenger Rail grants ($8 billion), Amtrak Capital grants ($850 million), and Amtrak Safety and Security grants ($450 million)

  - **Surface Transportation:** **$1.5 billion**
    including highway, bridge, public transit, intercity passenger rail, freight rail, and port infrastructure grants

  - **Aviation:** **$1.3 billion**
    including Airport Improvement Program ($1.1 billion) and Federal Aviation Administration Facilities and Equipment ($200 million)

TRANSPORTATION AND INFRASTRUCTURE INVESTMENT CONTINUED

- **Environmental Infrastructure: $5.26 billion**
  including Clean Water State Revolving Fund loans and grants ($4 billion), Superfund cleanups ($600 million), Brownfields grants ($100 million), Watershed and Flood Prevention Operations ($290 million), Watershed Rehabilitation Program ($50 million), and International Boundary and Water Commission ($220 million)

- **U.S. Army Corps of Engineers: $4.6 billion**
  including Construction ($2 billion), Operation and Maintenance ($2.075 billion), Mississippi Rivers and Tributaries ($375 million), Formerly Utilized Sites Remedial Action Program ($100 million), Investigations ($25 million), and Regulatory Program ($25 million)

- **Federal Buildings: $5.575 billion**
  including High-Performance Green Federal buildings ($4.5 billion), repair, alteration, and construction of Federal buildings and courthouses ($750 million) and border stations and land ports of entry ($300 million), and Smithsonian Institution ($25 million)

- **Economic Development Administration: $150 million**
  including Economic Adjustment grants ($50 million) and Regional Economic Development Commissions (up to $50 million)

- **Emergency Management: $210 million**
  including Firefighter Assistance grants to construct non-Federal fire stations ($210 million)

- **Coast Guard: $240 million**
  including Bridge Alterations ($142 million) and construction of shore facilities and aid-to-navigation facilities and repair of vessels ($98 million)

- **Maritime Administration: $100 million**
  including Small Shipyard grants ($100 million)

- The Recovery Act generally **requires these funds to be invested in ready-to-go projects**. Section 1602 of the Recovery Act requires States and other grant recipients to give preference to projects that can be started and completed expeditiously, including a goal of using at least 50 percent of the funds for projects that can be initiated not later than 120 days (June 17, 2009) after the date of enactment.[5] In addition, several transportation programs have specific deadlines to invest a percentage of the funds. For example, for Federal-aid Highway formula funds, 50 percent of state-administered funds must be obligated within 120 days (June 30, 2009) of the date of apportionment and all funds must be obligated within one year (March 2, 2010) of the date of apportionment. For transit formula grants, 50 percent of funds must be obligated within 180 days (September 1, 2009) of the date of apportionment and all funds must be obligated within one year (March 5, 2010) of the date of apportionment.

- The Recovery Act **creates green collar jobs and invests in projects that decrease our dependence on foreign oil and address global climate change**. It provides $4.5 billion for High-Performance Green Federal buildings to fund projects that incorporate energy and water conservation elements, such as installing photovoltaic roofs and geothermal technology. In addition, the Recovery Act provides a significant investment in public transit, high-speed rail, intercity rail, and Amtrak projects to provide alternatives to traveling by car, and help public transit and intercity passenger rail providers increase the percentage of their fleets that are alternative fuel vehicles. Finally, the Recovery Act directs that 20 percent of each State's Clean Water State Revolving Fund allotment be used for investments in energy and water efficient techniques and technologies (i.e., green infrastructure).

- The Recovery Act **requires the steel, iron, and manufactured goods for these projects to be produced in the United States.**[6]

- The Recovery Act **creates family-wage construction and manufacturing jobs.**[7]

- The Recovery Act **requires the Governor of each State to certify that:**

    - **the State will request and use funds provided by the Recovery Act and the funds will be used to create jobs and promote economic growth;**[8]

    - **the State will maintain its effort with regard to State funding for transportation projects;**[9] **and**

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[5] American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, § 1602 (2009).
[6] *Id.* § 1605.
[7] *Id.* § 1606. The Recovery Act requires all laborers and mechanics employed by contractors on projects funded by this Act to be paid prevailing wages. *Id.*
[8] *Id.* § 1607. The Governor shall make this certification within 45 days (April 3, 2009) of the date of enactment. If the Governor does not make such certification, the State legislature may accept the funds. *Id.*

- **the Governor accepts responsibility that the infrastructure investment is an appropriate use of taxpayer dollars.**[10]

To view submitted certifications by State, see: http://testimony.ost.dot.gov/ARRAcerts/.

➢ Finally, the Recovery Act **ensures transparency and accountability by including regular reporting requirements to track the use of the funds, State investments, and the estimated number of jobs created or sustained. This information will be publicly available through Recovery.gov.** Pursuant to section 1512 of the Act, States and other direct grant recipients will provide quarterly reports (beginning October 10, 2009) to the Federal agency that provided the funds on the total amount of recovery funds received; the amount of such funds that were expended or obligated; a detailed list of all projects or activities for which recovery funds were expended or obligated, including the name and description of the project, an evaluation of the completion status of the project, and an estimate of the number of jobs created or sustained by the project; and, for infrastructure investments made by State and local governments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment. Each Federal agency receiving these quarterly reports will make the information publicly available by posting the information on a website.[11]

➢ Section 1201 of the Recovery Act **requires additional reporting requirements for funds administered by the U.S. Department of Transportation.** Under this provision, each State and other grant recipient shall submit periodic reports to the U.S. Department of Transportation on the use of Recovery Act funds provided for highway, public transit, rail, surface transportation, airport, and maritime programs. The States and other grant recipients will report:

- the amount of Federal funds obligated and outlayed;
- the number of projects that have been put out to bid, and the amount of Federal funds associated with such projects;
- the number of projects for which contracts have been awarded, and the amount of Federal funds associated with such projects;
- the number of projects for which work has begun under such contracts and the amount of Federal funds associated with such contracts;

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[9] *Id.* § 1201. The certification shall include a statement identifying the amount of funds the State planned to expend from State sources as of the date of enactment during the period from the date of enactment through September 30, 2010. *Id.*
[10] *Id.* § 1201. The certification shall include a description of the investment, the estimated total cost, and the amount of covered funds to be used, and shall be posted on a website and linked to the Recovery.gov website. *Id.*
[11] *Id.* § 1512.

- the number of projects for which work has been completed under such contracts and the amount of Federal funds associated with such contracts;

- the number of direct, on-project jobs created or sustained by the Federal funds provided and, to the extent possible, the estimated indirect jobs created or sustained in the associated supplying industries, including the number of job-years created and the total increase in employment since the date of enactment; and

- information tracking the actual aggregate expenditures by each grant recipient from State sources for projects eligible for funding under the program during the period from the date of enactment through September 30, 2010, compared to the level of expenditures that were planned to occur during such period as of the date of enactment.

The first periodic report is due not later than 90 days (May 18, 2009) after the date of enactment, and subsequent reports are due not later than 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act.[12]

## READY-TO-GO INFRASTRUCTURE INVESTMENTS

- While certain infrastructure projects may require years of engineering and environmental analysis, followed by a lengthy contract award process, a subset of projects – such as projects involving rehabilitation and repair of existing infrastructure – can move much more quickly, with work beginning within 90 to 120 days.[13]

- The Recovery Act requires funds to be invested in ready-to-go projects. Priority will be given to projects that can be started and completed quickly.[14] For instance, State Departments of Transportation (DOTs) have a tremendous backlog of highway resurfacing needs. State DOTs often have open-ended contracts in place for resurfacing projects, which means that work could begin immediately upon receipt of additional funds. Similarly, many State DOTs have bridge deck overlay projects, in which the top two or three inches of concrete on the surface of the bridge (e.g., the deck) is replaced, which are ready-to-go.

- Even before the U.S. Department of Transportation apportioned formula funds to States, cities, and public transit agencies, State DOTs put out bids (typically for a period of 30 days) for ready-to-go projects. After receipt of the bids and contract award, work can begin on

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[12] *Id.* § 1201.
[13] The Federal Highway Administration's "August redistribution" of highway funds illustrates the ability of States to obligate additional funds quickly when they become available. In August of each year, States that cannot use their entire obligation authority return the unused authority to the Federal Highway Administration, which then redistributes it to States that can use the funds prior to the end of the fiscal year on September 30.
[14] *See id.* § 1602.

the project within an additional 30 days. **<u>In this way, the Recovery Act has "put shovels in the ground" within 90 to 120 days of the date of enactment.</u>**

<u>ECONOMIC IMPACT:</u> **MORE THAN 1.8 MILLION JOBS AND $323 BILLION OF ECONOMIC ACTIVITY**

- The $64.1 billion of Federal infrastructure investment will **create or sustain more than 1.8 million jobs and $323 billion of economic activity**. Each $1 billion of Federal funds invested in infrastructure creates or sustains approximately 34,779 jobs and $6.2 billion in economic activity.[15]

- A national survey found that transportation construction contractors hire employees within three weeks of obtaining a project contract. These employees begin receiving paychecks within two weeks of hiring.

- In addition, this infrastructure investment will **increase business productivity** by reducing the costs of producing goods in virtually all industrial sectors of the economy. Increased productivity results in increased demand for labor, capital, and raw materials and generally leads to lower product prices and increased sales.

- This investment will specifically help unemployed construction workers. The construction sector has lost 1,936,000 jobs since the recession began in December 2007. The unemployment rate in construction was 27.1 percent in February 2010. As of February 2010, there are 2,440,000 unemployed construction workers in the nation.

- An analysis by a national transportation construction association shows between May 2009 and February 2010, the value of new contracts for highway pavement projects rose to $36.6 billion, a 19.4 percent increase from the period between May 2008 and February 2009. New contract awards for bridge construction projects also rose by 14.6 percent, from $11.9 billion to $13.6 billion. Furthermore, the value of highway and bridge contract awards is up by $2 billion in February 2010 compared to February 2009.

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[15] These estimates are based on 2007 Federal Highway Administration (FHWA) data on the correlation between highway infrastructure investment and employment and economic activity, and assume a 20 percent State or local matching share of project costs. Some infrastructure programs have slightly higher or lower estimates of the number of jobs created or the economic activity generated per $1 billion of Federal funds invested. To enable easy comparisons among the elements of the bill, this document presumes the FHWA model for employment and economic activity. In the overwhelming majority of cases, the requirement for State or local matching funds would be waived under this proposal. Where appropriate, estimates of employment and economic activity have been adjusted to reflect these match waivers.

- In contrast to the economic stimulus effect from tax cuts, virtually all of the stimulus effect from public infrastructure investment will be felt in the United States. Not only would the construction work be done here, but most transportation construction materials and equipment are manufactured in the United States, as well.[16]

**MINORITY-OWNED AND WOMEN-OWNED BUSINESS IMPACT:**

- This investment will also help address the disproportionate effect that the increase in unemployment has had on people of color. In February 2010, the rate of unemployment for African Americans was 15.8 percent – 79 percent higher than the rate for whites. The unemployment rate for Hispanic or Latino Americans was 12.4 percent, 40 percent more than the rate for whites.

- Congress has established a national 10 percent aspirational program goal for firms certified as Disadvantaged Business Enterprises ("DBEs"), including minority- and women-owned businesses, with respect to highway, transit, aviation, and other infrastructure programs. As a general rule, States, cities, and infrastructure financing authorities are required to establish an annual DBE participation goal that reflects what DBE participation would be in the absence of discrimination. The DBE program applies to all Recovery Act transportation and infrastructure programs.

[16] Previous experience with using public infrastructure investment to stimulate the economy can be found with the Public Works Acceleration Act (P.L. 87-658), signed by President Kennedy on September 14, 1962. Under this program, a total investment of $1.8 billion ($880 million Federal investment and $920 million in local investment) generated 250,000 job-years. *See* Public Works Acceleration Act, 42 U.S.C. § 2641 (1962).

## HIGHWAYS AND BRIDGES – $27.5 BILLION

Recovery Act:

1. **Provides $26.66 billion in funding for Federal-Aid Highway formula investments.**
2. **Provides $150 million for Puerto Rico and Territorial Highway Programs.**
3. **Provides $550 million for roads on Federal and Indian lands, including $170 million for National Park Roads, $310 million for Indian Reservation Roads, $60 million for Forest Roads, and $10 million for Refuge Roads.**
4. **Provides $60 million for competitive discretionary Ferry Boat capital grants to States.**
5. **Provides $20 million for On-the-Job Training.**
6. **Provides $20 million for Disadvantaged Business Enterprise bonding assistance.**

**Distribution**: Distributes Federal-aid Highway funds through a hybrid formula to States (50 percent through Surface Transportation Program formula and 50 percent apportioned via the FY 2008 obligation limitation ratio distribution). States must sub-allocate 30 percent of funds to local governments. Distributes National Park, Indian Reservation, Forest, and Refuge Road funds pursuant to existing administrative processes. Of all the funds provided to a State, three percent must be used for transportation enhancements. Formula funds must be apportioned by the Federal Highway Administration (FHWA) within 21 days (March 10, 2009) of the date of enactment.

**Additional Uses of Funds**: Expands uses to include stormwater runoff, passenger and freight rail, and port infrastructure projects.

**Prioritization**: Prioritizes funds on projects that could be completed in three years (February 17, 2012) and are in economically distressed areas of the State,[17] except that, for Ferry Boat projects, priority shall be given to projects that can be completed within two years (February 17, 2011) of enactment.

**Shovel-Ready Deadlines**: Requires 50 percent of the funds apportioned to the States to be obligated within 120 days (June 30, 2009) after the date of apportionment. Funds not obligated in accordance with this requirement will be withdrawn and redistributed to other States that had no funds withdrawn. Funds suballocated to local governments are not subject to the 120-day redistribution. All 50 States met this requirement.

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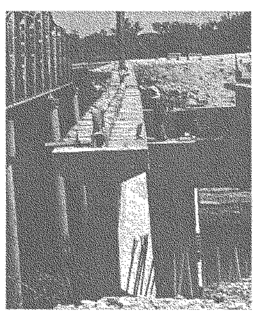
[17] On August 24, 2009, DOT released supplemental guidance on the determination of economically distressed areas. For more information, see: http://www.fhwa.dot.gov/economicrecovery/guidancedistressed.htm.

One hundred percent of funds must be obligated within one-year (March 2, 2010) of apportionment. All 50 States met this requirement.

**Transparency and Accountability Requirements:** Grant recipients must submit periodic reports to FHWA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[18]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[19]

**Recovery Act Implementation:** Of the amount awarded to date, Recovery Act investments will result in improvements to 34,438 miles of highway and 1,262 bridges.[20]



FHWA has approved 12,313 highway projects totaling $26.5 billion. This amount represents nearly 100 percent of the total available highway funds.

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[18] American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, § 1201 (2009).
[19] *Id.* § 1512.
[20] Miles and bridge improvement information is based on obligations as of March 23, 2010.

**Federal-Aid Highway Formula Investments and Puerto Rico and Territorial Highway Programs ($26.81 billion):** All 50 States, five Territories, and the District of Columbia have submitted and received approval for 12,110 projects totaling $26.2 billion, approximately 100 percent of the available Recovery Act highway formula funds. [21]

Out to Bid: According to submissions received by the Committee from States, as of February 28, 2010, all 50 States, five Territories, and the District of Columbia have put out to bid 10,918 projects totaling $24.1 billion, representing 91 percent of the total available highway formula funds.

Signed Contracts: All 50 States, five Territories, and the District of Columbia have signed contracts for 9,302 projects totaling $20.4 billion, representing 77 percent of the funds.

Work Underway: Work has begun on 7,897 projects in 50 States, four Territories, and the District of Columbia, totaling $18.4 billion, representing 70 percent of the funds.

Completed: Work has been completed on 2,973 projects in 48 States and the District of Columbia, totaling $2.9 billion, representing 11 percent of the funds.

To view formula fund information by State, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Examples of projects underway include:

- I-405 Sepulveda Pass Widening in Los Angeles, California ($190 million): Construction began in May 2009 on this billion-dollar project, which uses Recovery Act funds to build 10 miles of new HOV lane between the I-10 (Santa Monica Freeway) and the US-101 (Ventura Freeway). In addition to new highway capacity, this project will improve supporting infrastructure along the route such as reinforcing 27 on- and off-ramps, widening 13 underpasses, and building nearly 18 miles of retaining and sound walls. When completed, there will be 72 continuous miles of bus/carpool lanes on I-405 from the San Fernando Valley to Orange County. This project will also cut daily commutes by 20 minutes per person, or more than seven million hours annually, which will also improve local air quality. This freeway serves more than 280,000 drivers each day; and

- Ft. Duquesne Bridge Preservation in Pittsburgh, Pennsylvania ($26.2 million): This project, entirely funded by the Recovery Act, is a vital transportation link for the region. These funds will pay for preservation to ensure the bridge stays in good condition for its estimated 80,000 daily drivers. Work includes improvements on 16 bridge and ramp structures as well as steel, concrete, and deck repairs.

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[21] FHWA approved slightly less than their original allocation because 18 States chose to transfer funds for transit projects. Transfers occur when States and local authorities choose to use their Recovery Act highway funds for transit projects in their respective locale.

On March 2, 2009, FHWA issued Federal-aid Highway formula apportionments to States. These apportionments are summarized on the Committee's website: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=930.

For up-to-date information on projects obligated, underway, and completed, see: http://www.fhwa.dot.gov/economicrecovery/weeklylists.htm.

**Federal and Indian Lands ($550 million):** FHWA has awarded 164 projects totaling $311 million, representing 57 percent of the funds for Federal and Indian Lands. Work is underway on 79 projects totaling $211 million, representing 38 percent of the available funds.

An example of a project underway includes:

- Yosemite National Park in California ($8 million): This project is approximately 90 percent complete and the improved roads are currently open to public traffic. Located in an economically distressed area, the project will rehabilitate five miles of paved roadway and two lane miles of paved parking. Existing geometry deficiencies, such as incorrect roadway superelevation, will be corrected in addition to the replacement of the deteriorated pavement. Turnouts within the project limits will be rehabilitated and improved as needed. Reconstruction and realignment of the Chinquapin intersection will address the higher-than-normal accident rate for that particular location. FHWA expects works to be complete in May 2010.

**Ferry Boat Capital Grants to States ($60 million):** On July 10, 2009, FHWA announced $60 million in Ferry Boat capital grants for 29 projects in 19 States and the Virgin Islands. Of these announced projects, FHWA has approved 19 projects totaling $15 million, representing 25 percent of the total funds for Ferry Boat capital grants. Work is underway on nine projects totaling $8.8 million, representing 15 percent of the available funds.

An example of a project underway includes:

- Ferry Vessel Construction in Port Aransas, Texas ($6.5 million): This project will add a 28-car capacity vessel to the ferry system to reduce delays. Over the next 10 years, the ferry is projected to carry on average 8,000 vehicles per day, with peaks in excess of over 13,000 vehicles per day.

**On-the-Job Training ($20 million):** FHWA has awarded 20 training grants worth $6.4 million, representing 32 percent of the total apportionment for On-the-Job Training. Work is underway on eight projects totaling $2.3 million, representing 12 percent of the available funds.

These grants fund training centers and apprenticeships for underrepresented or disadvantaged people seeking careers in transportation, engineering, or construction. An example of a project underway includes:

- Wichita Metro Area Project in Kansas ($200,400): This grant will provide supportive services to increase the total number of minorities, women, and disadvantaged individuals participating in the Federal-aid highway construction industry. The Kansas Contractors Association offers a variety of craft-worker training courses that can quickly improve the skills of the workers who build roads and bridges. The association provides instructors, facilities, materials, and administration to organize courses held all across the State.

**Disadvantaged Business Enterprise (DBE) Bonding Assistance ($20 million):** The U.S. Department of Transportation has approved 12 applications for bonding assistance, totaling $100,000.[22]

An example of a project includes:

- Pedestrian Facility Improvements in South Carolina ($15,872): The Department recently approved three awards for AOS Specialty Construction, a woman-owned DBE in South Carolina, to improve pedestrian facilities and provide connectivity to public locations in close proximity to schools, public buildings, community centers, and businesses.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

To view a map of projects, see:
https://fhwaapps.fhwa.dot.gov/rap/

**Economic Impact: Creates more than 765,000 jobs and $136 billion of economic activity.**

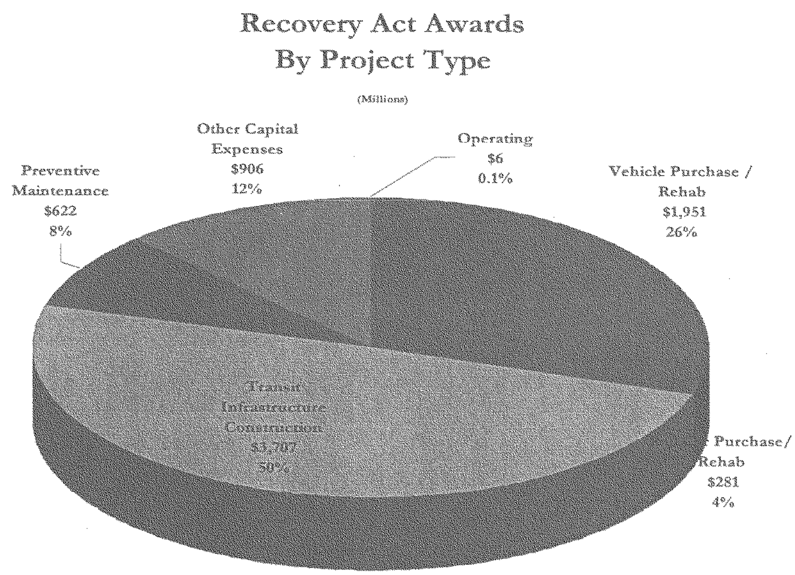
[22] On August 31, 2009, DOT announced that small and disadvantaged businesses may now apply to be reimbursed for bonding premiums and fees incurred when competing for, or performing on, Recovery Act transportation projects. The Recovery Act created this new program to help small and disadvantaged businesses better compete for Recovery Act transportation funds. Only qualified bonds obtained from August 28, 2009, to September 8, 2010, are eligible for this assistance. Applications are due by September 8, 2010. For more information, see: http://www.dot.gov/recovery/ost/osdbu/index.htm.

TRANSIT – $8.4 BILLION

Recovery Act Implementation: Of the amount awarded to date, Recovery Act transit investments will results in:

- the purchase or rehabilitation of 10,561 vehicles ($2 billion);
- the purchase or rehabilitation of 613 rail cars and locomotives ($281 million);
- the construction or rehabilitation of 2,325 passenger facilities ($1.1 billion); and
- the construction or rehabilitation of 202 maintenance facilities ($727 million).[23]

The Federal Transit Administration (FTA) has awarded 979 grants totaling $8.6 billion in all 50 States, five Territories, and the District of Columbia, representing 100 percent of the available transit funds.[24] FTA plans to use the awarded funds according to the following project types:




Source: FTA

[23] Information is based on awards as of January 15, 2010.
[24] FTA has awarded more than their original allocation because FTA has received $345 million in 46 transfers from FHWA.

TRANSIT URBAN AND RURAL FORMULA GRANTS – $6.8 BILLION

Recovery Act: **Provides $6.8 billion in transit capital and operating grants for ready-to-go projects, including $5.44 billion using the current transit urban formula, $680 million using the current transit rural formula, and an additional $680 million to both urban and rural areas using the current Growing States and High Density States formula.**

**Distribution:** Distributes transit urban and rural formula funds to States, cities, and public transit agencies pursuant to existing statutory transit formulas under 49 U.S.C. § 5307, 49 U.S.C. § 5311, and 49 U.S.C. § 5340.

**Prioritization:** Formula funds must be apportioned by FTA within 21 days (March 10, 2009) of enactment.

**Shovel-Ready Deadlines:** Requires States, cities, and public transit agencies to obligate at least $3.4 billion (50 percent) of these funds within 180 days (September 1, 2009) of the date of apportionment. Funds not obligated in accordance with this requirement will be withdrawn and redistributed to other urbanized areas or States that had no funds withdrawn. All States, cities, and public transit agencies met this requirement.

One hundred percent of funds must be obligated within one-year (March 5, 2010) of apportionment. All States, cities, and public transit agencies met this requirement.

**Transparency and Accountability Requirements:** Grant recipients must submit periodic reports to FTA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[25]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[26]

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[25] *Id.* § 1201.
[26] *Id.* § 1512.

**Recovery Act Implementation:** FTA has awarded $7.1 billion for 885 projects in all 50 States, five Territories, and the District of Columbia. [27] This represents 100 percent of the available funding. [28]

Out to Bid: According to submissions received by the Committee from States and public transit agencies, as of February 28, 2010, 3,352 projects have been put to bid in all 50 States, three Territories, and the District of Columbia, totaling $4.9 billion, representing 69 percent of the total available transit capital formula funds.

Signed Contracts: Contracts have been signed for 3,102 projects in 50 States, one Territory, and the District of Columbia totaling $4.8 billion, representing 68 percent of the funds.

Work Underway: Work has begun on 2,902 projects in 50 States, one Territory, and the District of Columbia totaling $4.4 billion, representing 63 percent of the funds.

Completed: Work has been completed on 1,179 projects in 43 States and the District of Columbia totaling $627 million, representing nine percent of the funds.

To view formula fund information by State, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

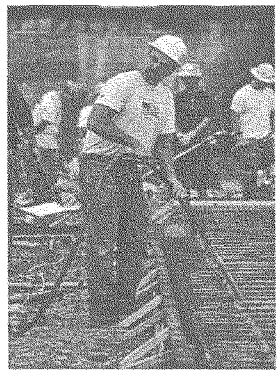
Examples of projects underway include:

- Santa Clara Valley Transportation Authority (VTA) in San Jose, California ($42.2 million): The VTA has purchased 70 new, 40-foot hybrid buses from Gillig, LLC of Hayward, California. These hybrid buses will be used to replace buses that have been in service since the early 1990s. The addition of the hybrid buses to VTA's operating fleet will help VTA comply with new, more stringent State and Federal emissions requirements. This purchase also continues VTA's commitment to green technology, with the new hybrid buses joining an additional 90 hybrid paratransit and non-revenue vehicles. VTA riders will realize immediate benefits provided by these new vehicles, including the low-floor configuration and the enhanced lift systems that provide easier access for mobility-impaired individuals and reduce overall dwell time; and

- Grays Harbor Transit's Station Expansion in Aberdeen, Washington ($500,000): Grays Harbor Transit has started construction on this station. This project will enhance safety for both riders and local traffic and will accommodate future growth of bus ridership. The station improvements include expanding its size, installing better lighting, adding security cameras, and providing a covered seating area for passengers. A park-and-ride lot will be expanded to provide parking for up to 35 vehicles, and sidewalks and bike racks will make the station more accessible. Currently, buses leaving the station pull onto one of the busiest traffic corridors through Aberdeen, and must merge across three lanes of traffic in order to turn onto their routes. Upon completion, bus traffic will enter onto a less busy street.

[27] On March 5, 2009, FTA issued public transit urban and rural formula funds apportionments to States and public transit agencies. These apportionments are summarized on the Committee's website:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=930.

[28] This total includes 46 transfers totaling $345 million from FHWA.



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: **Creates more than 189,000 jobs and $34 billion of economic activity.**

TRANSIT GREENHOUSE GAS AND ENERGY REDUCTION FUNDING – $100 MILLION

**Recovery Act: Provides $100 million of discretionary transit capital grants to public transit agencies to reduce energy consumption or greenhouse gas emissions of their public transportation systems.**

**Distribution:** Distributes transit energy funds to public transit agencies as discretionary grants.

**Prioritization:** Prioritizes funds for projects based on the total energy savings that are projected to result from the investment, and projected energy savings as a percentage of the total energy usage of the public transit agency.

**Shovel-Ready Deadlines:** Requires public transit agencies to obligate at least 50 percent of these funds within 180 days (September 1, 2009) of the date of allocation. Requires public transit agencies to obligate all of the funds within one year (March 5, 2009) of the date of allocation. The Secretary of Transportation may provide an extension of time if a city or State has encountered an unworkable bidding environment or other extenuating circumstances.

**Transparency and Accountability Requirements:** Grant recipients must submit periodic reports to FTA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[29]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[30]

**Recovery Act Implementation**: On September 21, 2009, FTA announced 43 Transit Investments for Greenhouse Gas and Energy Reduction (TIGGER) grants in 27 States, totaling the entire $100 million in available funding.[31] FTA has awarded 32 grants totaling $82 million, representing 82 percent of the available TIGGER funding.

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[29] *Id.* § 1201.
[30] *Id.* § 1512.
[31] FTA received $2 billion in proposals.

Examples of announced projects include:

- Rock Island Solar Thermal Hot Water System in Rock Island, Illinois ($600,000): Rock Island plans to purchase and install a solar thermal hot water system for their new transit maintenance facility building. This project will help create a sustainable transit maintenance facility for the Rock Island Metropolitan Mass Transit District using energy alternatives that reduce both energy consumption and emissions; and

- Massachusetts Bay Transit Authority (MBTA) Wind Energy Generation Turbines in Massachusetts ($2.5 million): The MBTA plans to install two renewable wind energy generation turbines at the Kingston Layover Facility (100 kW), and the Newburyport Station (600 kW). The MBTA is the largest single electricity consumer in Massachusetts, consuming nine percent of all electricity consumed in the Commonwealth. With the installation of renewable wind energy turbines, the MBTA will generate power to operate its own facilities or return power back to the regional grid, thereby providing clean energy to the region. Both facilities currently consume energy to support the plugging-in of trains for storage, maintenance, and passenger waiting facilities. The annual electricity use at both facilities is 2,815,738 kW-h. This investment will allow the MBTA to reduce their energy consumption at these locations by 75 percent.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**Economic Impact: Creates approximately 2,800 jobs and $500 million of economic activity.**

## FIXED GUIDEWAY INFRASTRUCTURE INVESTMENT – $750 MILLION

**Recovery Act: Provides $750 million for transit fixed guideway modernization projects.**

**Distribution:** Distributes funds through the existing fixed guideway modernization formula.

**Prioritization:** Formula funds must be apportioned by FTA within 21 days (March 10, 2009) of enactment.

**Shovel-Ready Deadlines:** Requires public transit agencies to obligate at least $375 million (50 percent) of these funds within 180 days (September 1, 2009) of the date of apportionment. All States, cities, and public transit agencies met this requirement.

Requires public transit agencies to obligate all of the funding within one year (March 5, 2010) of the date of apportionment. All States, cities, and public transit agencies met this requirement.

**Transparency and Accountability Requirements:** Grant recipients must submit periodic reports to FTA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[32]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[33]

**Recovery Act Implementation:** FTA has awarded 51 grants worth $743 million in 27 States, Puerto Rico, and the District of Columbia. [34] This amount represents 100 percent of the total available funds.

Out to Bid: According to submissions received by the Committee from States and public transit agencies, as of February 28, 2010, 134 projects have been put to bid in 24 States and the District of Columbia, totaling $646 million, representing 87 percent of the total available fixed guideway formula funds.

Signed Contracts: Contracts have been signed for 121 projects in 22 States and the District of Columbia totaling $594 million, representing 80 percent of the funds.

Work Underway: Work has begun on 118 projects in 20 States and the District of Columbia totaling $585 million, representing 79 percent of the funds.

Completed: Work has been completed on 14 projects in nine States totaling $38 million, representing five percent of the funds.

To view formula fund information by State, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

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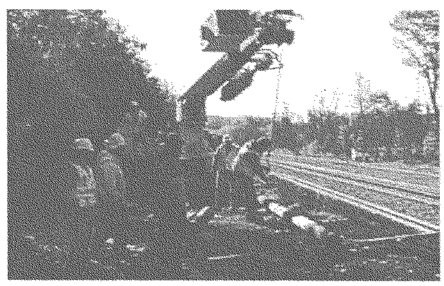
[32] *Id.* § 1201.
[33] *Id.* § 1512.
[34] On March 5, 2009, FTA announced the allocation of these formula funds. These apportionments are summarized on the Committee's website: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=930.

Examples of projects underway include:

- Fitchburg CPF-43 Interlocking in Fitchburg, Massachusetts ($10.2 million): This project supports the first phase of a massive rail improvement project on the Fitchburg line along the Massachusetts Bay Transportation Authority's (MBTA) 50-mile corridor from Fitchburg to Boston, the longest line in MBTA's system. The funds are being spent to do interlocking work – switches that enable trains to move from one track to another – on 13 miles of rail between Ayer and Fitchburg. The project will enable the authority to increase capacity and provide faster travel times on the line, allowing trains to easily get around a delay or obstacle on the line. The Massachusetts Bay Commuter Railroad Company, which retains a contract to operate and maintain MBTA's commuter-rail network, began preliminary construction in the fall of 2009 and hired 15 track laborers to help upgrade this commuter-rail line; and



- 55th Street Station rehabilitation and track upgrades in Cleveland, Ohio ($11.2 million): The funds will be used to continue modification of the Greater Cleveland Regional Transit Authority's 55th Street Station in conjunction with the surrounding neighborhood development. The station will be center-platform, allowing for a wider platform and simplified vertical circulation. The station will incorporate passenger enhancements, a park and ride facility, and a bus loop for bus operation. Additionally, funds will be used to make major improvements to address accessibility and functional deficiencies to the Puritas Station. Recovery Act funds have assisted the transit agency in retaining 159 jobs.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**Economic Impact: Creates approximately 20,900 jobs and $3.7 billion of economic activity.**

TRANSIT NEW STARTS CONSTRUCTION – $750 MILLION

**Recovery Act: Provides $750 million in transit capital grants for New Starts construction projects.**

**Distribution:** Distributes New Starts project construction funds to public transit agencies pursuant to existing authority under SAFETEA-LU, FTA Full Funding Grant Agreements, and FTA Project Construction Grant Agreements. FTA would determine the distribution of funds through its existing competitive process.

**Prioritization:** Prioritizes funds on projects that are currently in construction or are able to obligate funds within 150 days (July 16, 2009) of enactment.

**Shovel-Ready Deadlines:** FTA must obligate 100 percent of the funds by September 30, 2010.

**Transparency and Accountability Requirements:** Grant recipients must submit periodic reports to FTA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[35]

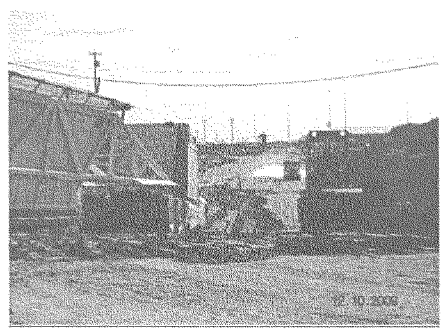
Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[36]

**Recovery Act Implementation:** FTA has awarded 11 grants totaling $743 million in eight States and the District of Columbia.[37] This amount represents 100 percent of the total available funds.

[35] *Id.* § 1201.
[36] *Id.* § 1512.
[37] On May 11, 2009, FTA announced the allocation of New Starts funding.

An example of a project underway includes:

- Dallas Area Rapid Transit (DART) Orange Line Construction in Dallas, Texas ($61.2 million): This project supports the 14-mile Orange Line rail construction project that will connect Dallas, the thriving Las Colinas Urban Center in Irving, and ultimately DFW International Airport, opening to Las Colinas in 2011 and DFW Airport in 2013. This project represents a public transit investment in excess of $817 million. More than 80 contractors, based in 14 States, are bringing this project to fruition. This project already has attracted one of the country's largest transit-oriented development programs with a private and municipal investment of $3.7 billion around the first six rail stations. The City of Irving, in particular, is constructing a $114 million, 270,000-square foot convention center. Together, these modern transit villages are expected to draw nearly 10,500 new residents and 18,000 new employees. Over 600 direct, on-project jobs are being created or sustained by these funds.



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**Economic Impact: Creates more than 50,000 jobs and $9 billion of economic activity. Furthermore, the additional $750 million of New Starts funding will make available an additional $1.5 billion of contingent commitment authority to enable FTA to sign more New Starts funding agreements for future transit construction projects.**

## RAIL – $9.3 BILLION

**Recovery Act:**

1. **Provides $1.3 billion for capital grants to Amtrak, of which $450 million shall be used by Amtrak for safety and security improvements.**

2. **Provides $8 billion for high-speed rail, intercity passenger rail, and congestion capital grants to States.**

**Distribution:** Distributes $1.3 billion of capital grants to Amtrak; distributes $8 billion of high-speed rail, intercity passenger rail, and congestion grants to States on a competitive basis to pay for the cost of capital projects, as provided for in section 501 of the Passenger Rail Investment and Improvement Act of 2008 (Division B of P.L. 110-432) and chapter 244 of Title 49, United States Code.

**Prioritization:** For capital grants to Amtrak, priority shall be given to projects for the repair, rehabilitation, or upgrade of railroad assets or infrastructure, and for capital projects that expand passenger rail capacity, including the rehabilitation of rolling stock. For high-speed rail, intercity passenger rail, and congestion grants, priority shall be given to projects that support the development of high-speed rail service.

**Shovel-Ready Deadlines:** For capital grants to Amtrak, the Secretary shall ensure that projects funded with economic recovery funds provided to Amtrak shall be completed within two years (February 17, 2011) of enactment. 100 percent of the funds must be obligated by September 30, 2010. For high-speed rail, intercity passenger rail, and congestion grants, 100 percent of the funds must be obligated by September 30, 2012.

**Transparency and Accountability Requirements:** Grant recipients must submit periodic reports to the Federal Railroad Administration (FRA) on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[38]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each

[38] *Id.* § 1201.

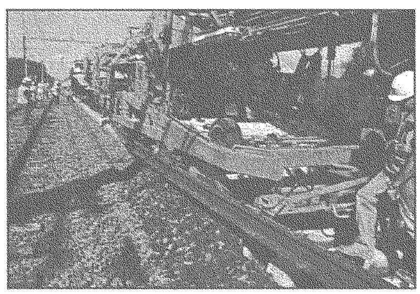
calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[39]

**Recovery Act Implementation:**

**Amtrak ($1.3 billion):** Work is underway on 146 projects totaling $1.1 billion, representing 86 percent of the total Amtrak Recovery Act funds, as of January 31, 2010. This total includes contracted and in-house work. Of this total, Amtrak has awarded 357 contracts totaling $658 million. Amtrak has made 46 percent of the total number of awards to small businesses.

Recovery Act investments will result in:

- replacing 80,000 concrete ties ($50 million), of which 41,000 ties (16 miles) have been completed;[40]

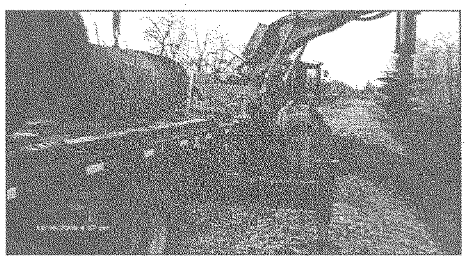


- restoring and returning to service 60 Amfleet cars, 21 Superliners, and 15 P-40 locomotives;
- improving 270 stations;
- improving 38 maintenance facilities; and
- replacing or maintaining nine bridges.

[39] *Id.* § 1512.
[40] Information on completed concrete ties is as of December 31, 2009.

Examples of projects underway include:

- Ivy City Substation in Washington, DC ($20 million): Work has already been completed on the five-mile access road, 32 of 66 caisson holes (see picture below), and excavation for a substation underway. The project also includes constructing a new substation and transmission line to provide stable voltages, redundancy, and reliable, traction power to trains. Amtrak will complete this project in January 2011.



- Wilmington Station Rehabilitation in Wilmington, Delaware ($20 million): Construction began in June 2009. Restoration of this historic station includes improvements to the ADA compliant platform, track bed waterproofing, exterior rehabilitation, interior renovations, new plumbing, HVAC, electrical system, and waiting room. To date, Track 2 and 3 bed waterproofing and roof replacement of North and Center platforms are completed. All work on this project should complete by February 2011.

To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**High-Speed Rail and Intercity Passenger Rail Grant Programs ($8 billion):** On January 28, 2010, President Obama announced $8 billion in Recovery Act grants to develop America's first nationwide program of high-speed intercity passenger rail service. In total, these awards will develop or lay the groundwork for 13 new, large-scale high-speed rail corridors across the country. The major corridors are part of a total of 31 States receiving investments, including smaller projects and planning work that will help lay the groundwork for future high-speed intercity rail service.[41]

The announced grants include:

- corridor programs: these investments will develop entire phases or geographic sections of high-speed rail corridors that have completed corridor plans, environmental documentation, and have a prioritized list of projects to help meet the corridor objectives;

[41] FRA received over $55 billion in applications.

- individual projects: providing grants to complete individual projects that are ready-to-go with completed environmental and preliminary engineering work with an emphasis on near term job creation. Eligible projects include acquisition, construction of or improvements to infrastructure, facilities, and equipment. These projects will create jobs quickly by upgrading local and regional networks and making connections to better knit together the nation's rail system, improving safety, and reducing congestion; and

- planning: entering into cooperative agreements for planning activities, including development of corridor plans and State Rail Plans.[42]

The 13 corridors include:

- California;
- Eugene-Portland-Seattle;
- Chicago-St. Louis-Kansas City;
- Minneapolis-Milwaukee-Chicago;
- Cleveland-Columbus-Cincinnati;
- Detroit-Chicago;
- Tampa-Orlando-Miami;
- Charlotte-Richmond-Washington, DC;
- New York-Albany-Buffalo-Montreal;
- Boston-New York-Washington, DC (Northeast Corridor);
- Brunswick-Portland-Boston;
- Philadelphia-Harrisburg-Pittsburgh; and
- New Haven-Springfield-St. Albans.

To view the specific projects, see: http://www.whitehouse.gov/files/documents/100128_1400-HSRAwards-Summary_FRA%20Revisions.pdf.

To view a national map of selected projects, see: http://www.fra.dot.gov/us/content/2243.

To read descriptions of designated high-speed rail corridors, see: http://transportation.house.gov/Media/file/Full%20Committee/Stimulus/High%20Speed%20Rail%20Corridor%20Descriptions.pdf.

**Economic Impact: Creates approximately 259,000 jobs and $46 billion of economic activity.**

[42] Congress provided funding for planning through the U.S. DOT FY 2008 and 2009 appropriations.

NATIONAL SURFACE TRANSPORTATION SYSTEM DISCRETIONARY GRANTS - $1.5 BILLION

**The Recovery Act: Provides $1.5 billion to the Secretary of Transportation to make competitive discretionary grants for surface transportation projects that will have a significant impact on the Nation, a metropolitan area, or a region.** Projects eligible for funding under this program include highway or bridge projects eligible under title 23, U.S.C.; public transportation projects eligible under chapter 53 of title 49, U.S.C., including investments in projects participating in the New Starts or Small Starts programs that will expedite the completion of those projects; passenger and freight rail transportation projects; and port infrastructure investments, including projects that connect ports to other modes of transportation and improve the efficiency of freight movement. The Secretary may use up to $200 million of the $1.5 billion to provide credit assistance to projects under the Transportation Infrastructure Finance and Innovation Act ("TIFIA") program.

**Distribution:** The Secretary of Transportation shall award discretionary grants to State and local governments or transit agencies based on project selection criteria to be published not later than 90 days (May 18, 2009) after the date of enactment. A grant funded under this program shall be not less than $20 million and not more than $300 million, although the Secretary may waive the minimum grant size for the purpose of funding significant projects in smaller cities, regions, or States. Not more than 20 percent of the funds under this program may be awarded to projects in a single State. The Secretary shall ensure an equitable geographic distribution of funds and an appropriate balance in addressing the needs of urban and rural communities.

**Prioritization:** Prioritizes funds on projects that require a contribution of Federal funds in order to complete an overall financing package, and to projects that are expected to be completed within three years (February 17, 2012) of the date of enactment.

**Shovel-Ready Deadlines:** Grant applications must be submitted not later than 180 days (November 14, 2009) after the publication of project selection criteria. The Secretary shall announce all projects selected for funding not later than one year (February 17, 2010) after the date of enactment.

**Transparency and Accountability Requirements:** Grant recipients must submit periodic reports to the Office of the Secretary of Transportation (OST) on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[43]

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[43] *Id.* § 1201.

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[44]

Recovery Act Implementation: On February 17, 2010, Secretary LaHood announced 51 Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grants in 40 States and the District of Columbia, totaling the entire $1.5 billion. TIGER grants will fund transportation projects including improvements to roads, bridges, rail, ports, transit, and intermodal facilities. Sixty percent of the funding will promote projects in economically distressed areas.

DOT received more than 1,400 applications for TIGER grants from all 50 States, three Territories, and the District of Columbia, totaling nearly $60 billion.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**Economic Impact: Creates more than 41,000 jobs and $7 billion of economic activity.**

[44] *Id.* § 1512.

## AVIATION – $1.3 BILLION

Recovery Act Implementation:

- Work is underway or completed on 663 projects ($1.2 billion), representing 94 percent of the total available Recovery Act aviation funds; and
- Within this total, work is underway on 282 projects ($765 million), and work is completed on an additional 381 projects ($453 million).

## AIRPORT IMPROVEMENT PROGRAM – $1.1 BILLION

**Recovery Act: Provides $1.1 billion for airport capital improvements through the Airport Improvement Program (AIP).**

**Distribution:** Distributes funds to airports through the existing AIP Discretionary Grants program. The Federal Aviation Administration (FAA) will determine the distribution of funds through its existing competitive process and national priority system.

**Prioritization:** Prioritizes funds on projects that can be completed within two years (February 17, 2011) of enactment, and serve to supplement and not supplant planned expenditures from airport-generated revenues or from other State and local funding sources.

**Shovel-Ready Deadlines:** The Secretary shall award grants totaling not less than 50 percent of the $1.1 billion within 120 days (June 17, 2009) of the date of enactment, and award grants for the remaining amounts not later than one year (February 17, 2010) after the date of enactment.

**Transparency and Accountability Requirements:** Grant recipients must submit periodic reports to the FAA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[45]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each

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[45] *Id.* § 1201.

calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[46]

**Recovery Act Implementation:**

- Work is underway or completed on 360 projects ($1.1 billion), representing 100 percent of the funding for airport grants; and
- Within this total, work is underway on 154 projects ($654 million), and work has been completed on an additional 206 projects ($444 million).

Recovery Act investments will result in:

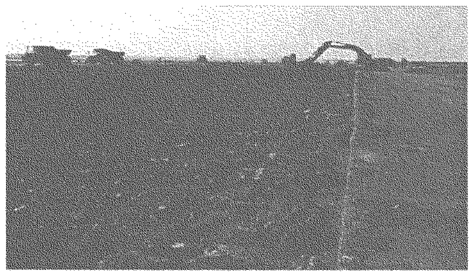
- runway improvements: 155 projects at 139 airports that accommodate 11 million annual takeoffs/landings ($483 million);
- taxiway improvements: 82 projects at 78 airports that accommodate 8.1 million annual takeoffs/landings ($220 million);
- apron improvements: 51 projects at 48 airports that support more than 6,500 aircraft based at these airports ($188 million); and
- terminal buildings and aircraft rescue and firefighting buildings improvements at 33 airports that accommodate 2.5 million annual takeoffs/landings and serve 33 million enplaned passengers ($117 million).

Examples of projects underway include:

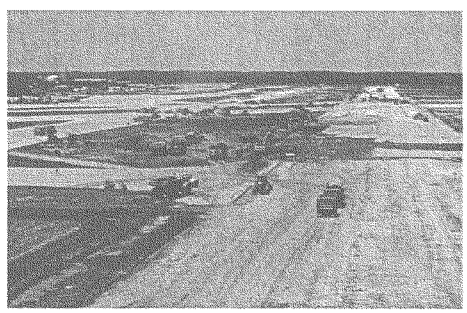
- Washington Dulles International Airport (IAD) in Chantilly, Virginia ($15 million). The FAA provided funds to rehabilitate a portion of Runway 1C/19C. The project removed and replaced the existing 50 year old concrete. The project also completed three connecting taxiways between the passenger terminal apron and the new west runway. Work started in mid-July 2009 and the runway reopened in early December 2009.

[46] *Id.* § 1512.

In addition to the employment impacts, the project will reduce airport maintenance costs and enable more efficient movement of aircraft, thereby reducing taxi time, delays, and fuel consumption. As of December 31, 2009, the airport reported an estimated 300 jobs have been funded by the Recovery Act.



- Omaha-Epply Airfield (OMA) in Omaha, Nebraska ($13.1 million): These funds are already rehabilitating a portion of Runway 14R/32L. The project removes and replaces the existing concrete pavement originally constructed in 1950 and is part of a larger effort to completely rehabilitate the longest commercial runway and several associated taxiways at this airport. Several phases of the runway rehabilitation project started in March 2009. The Recovery Act portion is substantially complete. As of December 31, 2009, the airport reported an estimated 68 jobs have been funded because of this project.



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852

**Economic Impact: Creates approximately 30,600 jobs and $5.5 billion of economic activity.**

## FAA FACILITIES & EQUIPMENT – $200 MILLION

**Recovery Act: Provides $200 million for capital improvements to the FAA facilities.**

**Distribution:** Funds may be distributed through the FAA's existing administrative processes or in the form of grants. Within 60 days (April 17, 2009) of the date of enactment, the FAA Administrator shall establish a procedure for applying for grants under this program, reviewing such applications, and awarding grants and cooperative and other transaction agreements under this program.

**Prioritization:** Prioritizes funds on projects that will be completed within two years (February 17, 2011) of the date of enactment.

**Shovel-Ready Deadlines:** The FAA must obligate 100 percent of funds by September 30, 2010.

**Transparency and Accountability Requirements:** Grant recipients must submit periodic reports to the FAA on the use of Recovery Act funds no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the U.S. Department of Transportation and transmitted to Congress. These reports include the amount of Recovery Act funds appropriated, allocated, obligated, and outlayed, the number of projects that have been put out to bid and have been awarded, where work has begun and been completed, and the amount of Recovery Act funds associated with such projects, job creation statistics, and maintenance of effort data.[47]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[48]

**Recovery Act Implementation:**

- Work is underway or completed on 303 projects ($120 million), representing 60 percent of the funding for Facilities and Equipment; and
- Within this total, work is underway on 128 projects ($111 million), and work has been completed on an additional 175 projects ($9 million).

[47] *Id.* § 1201.
[48] *Id.* § 1512.

Recovery Act investments will:

- upgrade power systems: 136 projects at 100 locations ($50 million);

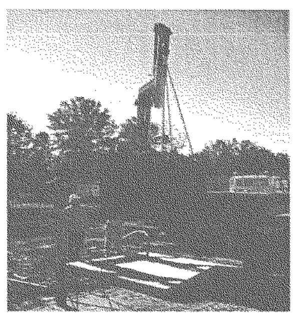
- modernize air route traffic control centers: 25 projects at 18 locations ($50 million);

- replace three air traffic control towers and terminal radar approach control facilities ($80 million); and

- improve lighting, navigation, and landing equipment: 587 projects at 134 locations ($20 million).

An example of a project underway includes:

- Atlanta National Network Control Center Engine Generator Project in Atlanta, Georgia ($2.5 million): This center, along with one other, process all pilot flight plans in the country. Operational problems at either center would cause major air traffic delays. The FAA determined that the Atlanta center required major infrastructure enhancements to properly support current and future operations. Accordingly, these funds resulted in a major upgrade to the 30 year old power distribution systems at the Atlanta center. Work is underway and the FAA expects to create 27 jobs as a result of this critical project.



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: **Creates approximately 5,600 jobs and $990 million of economic activity.**

ENVIRONMENTAL INFRASTRUCTURE – $5.26 BILLON

**CLEAN WATER STATE REVOLVING FUND – $4 BILLION**

**Recovery Act: Provides an additional $4 billion to construct, rehabilitate, and modernize the nation's wastewater infrastructure through the Clean Water State Revolving Fund (SRF) program. Within the existing Clean Water SRF allocation to States, direct individual State infrastructure financing authorities to: (1) utilize 50 percent of the capitalization grants for additional subsidizations in the form of negative interest loans, principle subsidization, or grants; and (2) utilize 20 percent of the capitalization grant for investment in green infrastructure projects, environmentally innovative activities, or projects or technologies that use energy and water efficient plans or components.**

**Distribution:** Distributes $4 billion for the Clean Water SRF pursuant to the existing Clean Water Act distribution formula.

Under the Recovery Act, State infrastructure financing authorities are required to utilize 50 percent of the capitalization grant for additional subsidizations in the form of negative interest loans, principal forgiveness, or grants to increase the overall affordability of wastewater infrastructure projects.

In addition, the Recovery Act requires State infrastructure financing authorities to utilize 20 percent of the capitalization grant for investment in green infrastructure projects, water or energy efficiency improvements, or environmentally innovative activities.

**Prioritization:** Notwithstanding the priority rankings projects would otherwise receive under the program, prioritizes economic recovery funds on projects on a State priority list that are ready to proceed to construction within 12 months (February 17, 2010) of enactment.

**Shovel-Ready Deadlines:** Requires State infrastructure financing authorities to award contracts for projects or proceed to construction within one year (February 17, 2010) of the date of enactment. All States met this requirement.

**Transparency and Accountability Requirements:** EPA must submit a general plan for the expenditure of Recovery Act funds to the Committees on Appropriations within 30 days (March 19, 2009) of enactment of the Recovery Act. EPA must submit a report containing detailed project level information associated with the general plan within 90 days (May 18, 2009) of enactment of the Recovery Act.[49]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the

[49] *Id.* § 701.

information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[50]

**Recovery Act Implementation:** EPA has awarded $4 billion in capitalization grants to States, representing 100 percent of the total Recovery Act funds for the Clean Water SRF.[51]

Recovery Act investments will:

- construct, upgrade, or maintain publicly owned treatment works serving an estimated 60 million people, almost one-third of the U.S. population currently served by sewers – 375 projects ($1.1 billion);
- improve, rehabilitate, or expand wastewater collection systems – 500 projects ($680 million);
- protect our nation's water supply and reduce the energy used to pump, treat, and distribute wastewater by 15 to 30 percent – 250 water or energy efficient projects ($515 million); and
- reduce stormwater runoff volumes, pollutants, and sewer overflows, and improve air quality – 200 green infrastructure projects ($200 million).

Out to Bid: According to submissions received by the Committee from States, as of February 28, 2010, 50 States, two Territories, and the District of Columbia have put out to bid 1,956 projects totaling $3.8 billion, representing nearly 100 percent of the total available Clean Water SRF formula funds.

Signed Contracts: 50 States, one Territory, and the District of Columbia have signed contracts for 1,950 projects totaling $3.8 billion, representing 100 percent of the funds.

Work Underway: Work has begun on 1,628 projects in 50 States, one Territory, and the District of Columbia totaling $3.3 billion, representing 87 percent of the funds.

Completed: Work has been completed on 72 projects in 21 States totaling $51 million.

To view formula fund information by State, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Examples of projects underway include:

- Douglas L. Smith Middle Basin Treatment Plant in Johnson County, Kansas ($15.8 million): Work on this project began on June 8, 2009. This project includes construction of a new receiving station for restaurant fats, oils, and grease and the expansion of the anaerobic

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[50] *Id.* § 1512.

[51] On March 12, 2009, EPA posted Clean Water SRF allotments by State. These allotments are summarized on the Committee's website: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=930.

digestion sludge treatment system. In addition, a digester gas handling system and a new power production system will burn digester gas to produce hot water for heating and electricity for on-site usage. This project represents Kansas' largest green project and is expected to create 270 new green jobs, result in $600,000 in cost savings annually, and reduce annual greenhouse gas emissions by more than 9,700 metric tons; and

- Snyder County Conservation District in Pennsylvania ($120,000): Work on this project, which addresses non-point source pollution of local streams through the use of forested riparian buffers, began on October 12, 2009. Approximately 51.73 acres of forested riparian buffers will be created along streams that will span over 26 different private properties and five contiguous counties. This project will prevent nitrogen, phosphorous, and sediment from entering the streams, thus improving water quality.

To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**Buy American:** EPA published three nationwide waivers of the Buy American provisions for projects funded under the Recovery Act. The first nationwide waiver, published on April 7, 2009, provides a nationwide waiver of the Buy American provisions for projects where debt was incurred on or after October 1, 2008, and before February 17, 2009 (the date of enactment). Under existing law, the Clean Water SRF can be used as leverage to refinance debt obligations incurred for the constriction of wastewater treatment projects at a lower rate. This waiver allows individual States to continue this practice, but not require the retroactive application of the Buy American provisions for projects that may have already been underway. Projects eligible for this nationwide waiver would have "specified designs", "may have solicited bids from prospective contractors", may have "awarded construction contracts, and in some cases began construction, prior to February 17, 2009."

The second nationwide waiver was published on June 2, 2009, and provides a waiver of the Buy American provisions for projects that solicited bids on or after October 1, 2008, and prior to February 17, 2009. Similar to the previous waiver, this waiver would prohibit the retroactive application of the Buy American provisions to projects for which bids had already been submitted prior to the enactment of the Recovery Act.

The third nationwide waiver, published on June 2, 2009, and revised on August 10, 2009, provides a waiver of the Buy American provisions for "de minimis" incidental components of projects financed through the Recovery Act. This waiver would allow for the use of non-domestic iron, steel, and manufactured goods in a project provided that such components "comprise in total a *de minimus* amount of the project, that is, for any such incidental components up to a limit of no more than 5 percent of the total cost of the materials used in and incorporated into a project."

EPA has also granted 43 regional waivers for individual projects. A list of these regional waivers can be found on EPA's Recovery Act implementation website: http://www.epa.gov/water/eparecovery/index.html#NationalWaivers.

**Economic Impact: Creates approximately 111,000 jobs and $20 billion of economic activity.**

## SUPERFUND – $600 MILLION

**Recovery Act:** **Provides $600 million for the Superfund program, a comprehensive program to clean up the nation's worst abandoned or uncontrolled hazardous waste sites.**

**Distribution:** Distributes $600 million through existing EPA Superfund program.

**Prioritization:** EPA selects projects for Recovery Act funding based on a variety of factors, including: construction readiness; human and ecological risk; and opportunities to reduce project costs and schedules.

EPA anticipates that the benefits of applying Recovery Act funds to the Superfund program will include: acceleration of existing projects; investment in new projects; faster return of sites to productive use; and potential acceleration of "green remediation" technology.

**Shovel-Ready Deadlines:** EPA must obligate 100 percent of funds by September 30, 2010.

**Transparency and Accountability Requirements:** EPA must submit a general plan for the expenditure of Recovery Act funds to the Committees on Appropriations within 30 days (March 19, 2009) of the date of enactment of the Recovery Act. EPA must submit a report containing detailed project level information associated with the general plan within 90 days (May 18, 2009) of enactment of the Recovery Act.[52]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[53]

**Recovery Act Implementation:** EPA has awarded $582 million for 57 construction projects and four design projects at 51 sites in 28 States, representing nearly 100 percent of the total allotment for Superfund work. In total, Recovery Act funds will initiate work at 26 sites and augment ongoing site cleanup work at the other 25 sites.
Work has begun or is complete on 45 projects ($502 million), representing 84 percent of the funds. Within this total, work is underway on 44 projects ($501 million), and work is completed on one project ($1 million).

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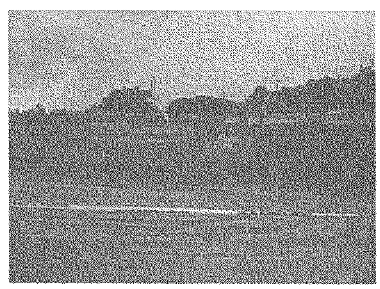
[52] *Id.* § 701.
[53] *Id.* § 1512.

The Recovery Act investments will:

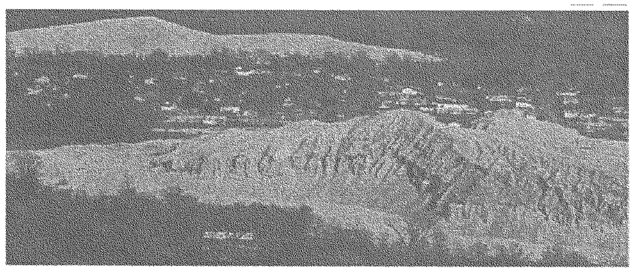
- treat or remove heavy metal contamination (36 sites);
- treat or remove organic compound contamination (28 sites);
- begin or accelerate work to treat drinking water to meet Federal and State standards (8 sites);
- provide alternate residential drinking water supplies (5 sites); and
- mitigate damage to wildlife habitats and ecosystems (4 sites).

Examples of Superfund sites include:

- Horseshoe Road in Sayreville, New Jersey ($5 million): Contaminants at the 12-acre site include volatile organic compounds (VOCs), metals, pesticides, and polychlorinated biphenyls (PCBs). The area around the site includes residential properties as well as business, commercial, and industrial areas. About 63 residential properties are located within one-half mile of the site, and about 14,000 people obtain drinking water from public wells within four miles. Recovery Act funds will expedite the cleanup of the remaining on-site soils that act as a source of contamination to the ground water and surface water, which drain into the Raritan River.



- Tar Creek in Oklahoma ($35.8 million): The approximately 40-square mile site is in a former lead and zinc mining rural area that has been affected by mining waste including piles known as "chat" which tower up to 200 feet high (see picture below). Elevated levels of lead, zinc, and cadmium impact the site's soils, surface water, and ground water. Recovery Act funds will speed up chat excavation from the remote areas of the site and from area streams. Other additional work to be performed includes constructing a repository, providing alternate water supply to two rural residential properties, and conducting cleanup of rural residential yards. The restored land will become available for agricultural development.



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**Economic Impact: Creates approximately 16,700 jobs and $3 billion of economic activity.**

## BROWNFIELDS – $100 MILLION

**Recovery Act:** **Provides $100 million for EPA's Brownfields Discretionary Grant Program.**

**Distribution:** Distributes funds to States, cities, and redevelopment agencies through the existing EPA Brownfields Discretionary Grant program for site assessments, remediation and cleanup grants, and to capitalize state Brownfield revolving loan programs as authorized under section 104(k) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (P.L. 96-510), as amended by the Brownfields Revitalization and Environmental Restoration Act of 2001 (P.L. 107-118).

**Prioritization:** On April 10, 2009, EPA announced the criteria for funding decisions under the Brownfields Revolving Loan Funds program, including the demonstrated ability of the revolving loan fund to make loans and subgrants with Recovery Act funds "quickly" (i.e., "shovel-ready" projects) for cleanups that can be started and completed expeditiously, and the demonstrated ability to use supplemental revolving loan funds in a manner that maximizes job creation.

**Shovel-Ready Deadlines:** EPA must obligate 100 percent of funds by September 30, 2010.

**Transparency and Accountability Requirements:** EPA must submit a general plan for the expenditure of Recovery Act funds to the Committees on Appropriations within 30 days (March 19, 2009) of the date of enactment of the Recovery Act. EPA must submit a report containing detailed project level information associated with the general plan within 90 days (May 18, 2009) of the date of enactment of the Recovery Act.[54]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[55]

**Recovery Act Implementation:** EPA has awarded grants or provided funds for existing grants or contracts worth $96 million for all 186 Recovery Act Brownfields projects, representing nearly 100 percent of the available funds.[56] Work has begun or is completed on 29 projects.

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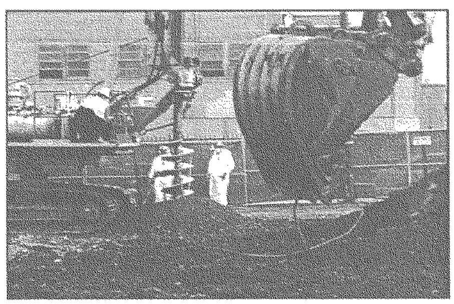
[54] *Id.* § 701.
[55] *Id.* § 1512.
[56] EPA set aside $3.5 million for management and oversight.

Recovery Act investments will result in:

- assessments, of which 44 projects have been initiated and an additional six projects are completed ($33 million);
- cleanup, of which two projects have been initiated an additional project is complete, resulting in 17 acres made ready for reuse ($7.5 million);
- revolving loan fund ($47.1 million); and
- job training ($6.9 million).

An example of a project underway includes:

- California Department of Toxic Substances Control in San Francisco, California ($1.8 million): This project will initiate clean up of lead contaminated land and will create about 200 new construction jobs for two years. Upon completion of the clean-up, the land will be turned into residential units, a restaurant, retail, and day care center.



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**Economic Impact: Creates approximately 2,800 jobs and $500 million of economic activity.**

## WATERSHED REHABILITATION PROGRAM – $50 MILLION

Recovery Act: **Provides $50 million for the rehabilitation of deficient flood damage reduction projects under the Watershed Rehabilitation Program.**

**Distribution:** Funds will be distributed to rehabilitate aging flood control structures nationwide.

**Prioritization:** Funds must be allocated to projects that can be fully funded and completed with the funds appropriated in the Recovery Act, and funds must be allocated to activities that can commence promptly following enactment of the Recovery Act.

**Shovel-Ready Deadlines:** The Natural Resources Conservation Service (NRCS) must obligate 100 percent of funds by September 30, 2010.

**Transparency and Accountability Requirements:** Each recipient that receives Recovery Act funds from a Federal agency must submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[57]

**Recovery Act Implementation:** NRCS has obligated $20 million for 20 dams and signed contracts for and started construction on three dams totaling $6 million. In total, NRCS plans to rehabilitate 26 dams.

Rehabilitating these 26 dams will:

- result in $4.2 million of annual monetary benefits for the next 50 to 100 years;
- reduce flooding for 1,774 homes, 117 businesses and public facilities, and 103 bridges;
- decrease risk to life threatening dam failures for 7,621 people;
- restore or enhance 667 acres of wetlands; and
- enhance 96 miles of stream corridor for fish and wildlife.

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[57] *Id.* § 1512.

An example of a project underway includes:

- Sallisaw Creek Watershed Dam No. 18M in Adair County, Oklahoma ($4.2 million): Work has begun to bring this dam up to current safety standards, raise its height by 3.4 feet, and replace existing spillways. A 2006 study classified this dam as high-hazard because 24 homes, a church, and a water treatment and pumping facility would be inundated if the dam failed. Rehabilitation of the dam will increase public safety and provide $20.7 million in flood-reduction benefits over the dam's 100-year life. The lake created by the dam provides 3,000 acre-feet of municipal water storage for the Stilwell Area Development Authority and water for 20,000 people.

To view the specific projects, see: http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

To view a map of projects, see: http://www.usda.gov/recovery/map/.

**Economic Impact: Creates approximately 1,400 jobs and $250 million of economic activity.**

## WATERSHED AND FLOOD PREVENTION OPERATIONS – $290 MILLION

**Recovery Act: Provides $145 million for watershed operations, and $145 million for floodplain easements.**

**Distribution:** Funds will be distributed by NRCS to improve water quality, increase water supply, decrease soil erosion, and improve fish and wildlife habitat in rural communities. Other major benefits from these projects include improve community safe and health, flood mitigation, sediment control, and enhanced fish and wildlife habitat.

**Prioritization:** Funds must be allocated to projects that can be fully funded and completed with the funds appropriated in the Recovery Act, and funds must be allocated to activities that can commence promptly following enactment of the Recovery Act.

**Shovel-Ready Deadlines:** NRCS must obligate 100 percent of funds by September 30, 2010.

**Transparency and Accountability Requirements:** Each recipient that receives Recovery Act funds from a Federal agency must submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[58]

**Recovery Act Implementation:**

**Watershed Operations and Flood Prevention ($145 million):** NRCS has obligated $64 million and signed 199 contracts in 79 of the 80 planned projects. Of these projects, contracts have been awarded and construction has begun on 19 projects totaling $6.9 million.

This watershed protection and flood prevention will:

- result in $431 million of annual monetary benefits for the next 50 to 100 years;
- reduce flooding for 9,749 farms or ranches and 997 bridges;
- protect 102 domestic water supplies;
- reduce 4,484,658 tons/year of sediment;

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[58] *Id.* § 1512.

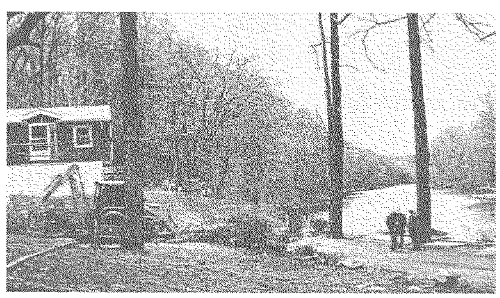
- conserve 75,213 acre-feet of water;
- enhance and restore 17,202 acres of wetland; and
- protect and enhance 892 miles of streams.

Recovery Act investments will further result in:

- new construction involving the investigation, survey, design, and construction of project measures that provide multi-purpose benefits, owned, managed, and operated by units of government (31 projects);
- structural repair involving follow-up work to correct unforeseen deficiencies or site conditions that impact the safety of a project measure (24 projects);
- land treatment projects involving contracts with individual landowners to install conservation practices to improve water quality and conservation on their property (18 projects); and
- permit-required mitigation involving replacement of environmental features impacted by construction of a project measure (seven projects).

An example of a project underway includes:

- Lower Neshaminy Creek in Bucks County, Pennsylvania ($10 million): The funds for this project will be used protect, elevate, or acquire approximately 80 homes and/or businesses in the lower 18 miles of Neshaminy Creek, resulting in an estimated $380,000 in flood damage reduction. Overall, approximately 450 residents in seven municipalities will benefit from flood protection along Neshaminy Creek. In addition, the project will generate revenue for privately owned businesses through increased sales of construction materials, equipment, parts, and services.



**Floodplain Easements ($145 million):** NRCS has signed options for 192 floodplain easements totaling $71 million, representing 41 percent of the total funding. Of this total, NRCS has closed (exercised the right under the option) 67 easements totaling $25 million.

Recovery Act investments will result in:

- water quality improvement: eliminate soil erosion and associated sedimentation and nutrient transfer from over 24,000 acres of cropland that will be converted to hardwood bottomland forests and other wetland habitat;

- flood damage reduction: improve community health and safety by removing 23 homes and families from reoccurring flood damages and restore natural water flows to 12 stream miles while eliminating flooding of 83 homes;

- wetland and wildlife habitat restoration/improvements to 37,000 acres; and

- improved fish and wildlife habitat for neo-tropical and migratory waterfowl: restoration efforts will restore and enhance critical habitat for 37 federally listed threatened and endangered species of fish and wildlife.

An example of a project underway includes:

- Salmon Falls-Piscataqua River Watershed Easement in Rockingham County, New Hampshire ($280,334): An easement has been acquired on this property at the confluence of the Pawtuckaway and Lamprey Rivers, adjacent to the Pawtuckaway Core Conservation Focus Area. The 2006 New Hampshire Fish and Game Wildlife Action Plan identified the site as providing the highest quality habitat within the biological region. Protection and restoration of this property will enhance the quality of the habitat, particularly for threatened and endangered species, including the Wood turtle, Blanding's turtle, and Spotted turtle. In order to restore the 7.2-acre floodplain within the dam breach inundation zone, a house and other buildings have been removed.

To view a map of projects, see: http://www.usda.gov/recovery/map/.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**Economic Impact: Creates approximately 8,000 jobs and $1.4 billion of economic activity.**

INTERNATIONAL BOUNDARY AND WATER COMMISSION – $220 MILLION

**Recovery Act: Provides $224 million to the United States Section of the International Boundary and Water Commission (IBWC) to carry out immediate repair and rehabilitation requirements of existing water supply infrastructure along the U.S.-Mexican border.**

**Distribution:** These funds will allow rehabilitation of approximately 170 miles of deficient levees, including Rio Grande levees as well as levees in the interior floodways in the Lower Rio Grande Flood Control Project.

**Prioritization:** The IBWC has prioritized Recovery Act funds for projects necessary to raise levee heights and make structural repairs to ensure the levees provide adequate protection during the 100-year flood, a flood that has a one percent chance of occurring in any given year. The levee rehabilitation is intended to meet standards established by the Federal Emergency Management Agency (FEMA).

**Shovel-Ready Deadlines:** IBWC must obligate 100 percent of funds by September 30, 2010.

**Transparency and Accountability Requirements:** IBWC must submit a detailed spending plan for funds appropriated under the Recovery Act to the Committees on Appropriations within 90 days (May 18, 2009) of enactment of the Recovery Act.[59]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[60]

**Recovery Act Implementation:** IBWC has obligated $149 million and committed to award an additional 15 design, construction, and construction management contracts totaling $70 million. Work has begun on 12 specific segments out of the 21 planned under the Recovery Act totaling $149 million, representing 68 percent of the available funds. IBWC expects all construction to be completed by April 2011.

[59] *Id.* Title XI.
[60] *Id.* § 1512.

Recovery Act investments will:

- rehabilitate 246 miles of deficient river and floodway levees in the Upper and Lower Rio Grande Flood Control Systems of Texas and New Mexico (almost one half of the total 506 miles of levees);

- enhance the protection of lives and property for over two million border residents; and

- achieve certification standards established by FEMA, thereby reducing the cost of flood insurance to border residents.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

Economic Impact: **Creates approximately 6,100 jobs and $1.1 billion of economic activity.**

U.S. ARMY CORPS OF ENGINEERS – $4.6 BILLION

Recovery Act:

1. **Provides an additional $2 billion for the Corps of Engineers Construction program;**
2. **Provides an additional $2.075 billion for the Corps of Engineers Operation and Maintenance program;**
3. **Provides an additional $375 million for the Corps of Engineers Mississippi River and Tributaries program;**
4. **Provides an additional $100 million for the Corps of Engineers Formerly Utilized Remedial Action Program;**
5. **Provides an additional $25 million for the Corps of Engineers Investigations program; and**
6. **Provides an additional $25 million for the Corps of Engineers Regulatory Program.**

**Distribution:** Distributes funds to the Corps of Engineers (Corps), which will determine the distribution of funds through its existing project selection process. Water resources development projects include navigation, flood control, hurricane and storm damage reduction, shoreline protection, hydroelectric power, recreation, water supply, environmental infrastructure, environmental protection, restoration and enhancement, and fish and wildlife mitigation projects.

**Prioritization:** Requires that funds be used for programs, projects, or activities (or elements of programs, projects, or activities) that can be completed within the funds made available in the Recovery Act, and that will not require new budget authority to complete.

**Shovel-Ready Deadlines:** The Corps must obligate 100 percent of the funds by September 30, 2010.

**Transparency and Accountability Requirements:** Beginning 45 days (April 3, 2009) after the date of enactment of the Recovery Act, the Corps must submit quarterly reports to the Committees on Appropriations detailing the allocation, obligation, and expenditures of these funds.[61]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and

[61] *Id.* Title IV.

obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[62]

**Recovery Act Implementation:** The Corps has committed $3.1 billion for 780 Recovery Act projects in 49 States, Puerto Rico, and the District of Columbia, representing 68 percent of the total amount of Recovery Act funds allocated to the Corps, as of February 28, 2010.

Recovery Act investments will fund the following:[63]

- navigation: repair or improve 284 locks or commercial ports;
- flood risk management: 1,124 projects to improve dam or levee safety;
- recreation: maintain or upgrade 460 recreation areas;
- environment: 143 projects to restore aquatic ecosystems or improvement management of natural resources;
- hydropower: 35 projects to repair or improve hydropower; and
- water supply: 148 projects to construct local water supply or wastewater infrastructure.

**Construction Program ($2 billion):** The Corps has committed $1.2 billion for 153 projects. This amount represents 59 percent of the apportionment for this program.

**Operation and Maintenance Program ($2.075 billion):** The Corps has committed $1.6 billion for 521 projects. This amount represents 77 percent of the apportionment for this program.

**Mississippi River and Tributaries Program ($375 million):** The Corps has committed $241 million for 38 projects. This amount represents 64 percent of the apportionment for this program.

**Formerly Utilized Remedial Action Program ($100 million):** The Corps has committed $93 million for 10 projects. This amount represents 93 percent of the apportionment for this program.

**Investigations Program ($25 million):** The Corps has committed $18 million for 53 projects. This amount represents 74 percent of the apportionment for this program.

**Regulatory Program ($25 million):** The Corps has committed $14 million for five projects. This amount represents 55 percent of the apportionment for this program.

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[62] *Id.* § 1512.

[63] On April 28, 2009, the Corps posted its lists of Civil Works work packages funded by the Recovery Act. Selected projects are geographically distributed across the United States to provide the nation with inland and coastal navigation, environmental, flood risk management, hydropower, and recreation improvements.

Examples of underway construction projects include:

- Western Sarpy Levee Improvement Project, Segment 3 in Saunders and Sarpy Counties, Nebraska ($6.5 million): This project is located along the Lower Platte River in an area that has seen significant long-term flooding problems. On December 31, 2009, the Corps awarded a firm fixed price construction contract to a small business, Anderson Excavating Company of Omaha, Nebraska, to improve the levees on the Platte and Elkhorn rivers. The project consists of improving 16 miles of existing levees and will increase the level of flood protection by improving two existing non-Federal levees and filling in levee gaps to improve protection. This work will improve the resiliency of the levee and reduce flood damage reduction risk to life and property of the area.

- Picayune Strand Restoration Project in Florida ($40 million): Decades ago, canal excavation and road construction disrupted the natural water flow and over-drained many areas of the Florida Everglades. One of these areas is the Merritt Canal on the Everglades' Picayune Strand. In October 2009, the Corps awarded a Recovery Act contract to Harry Pepper and Associates of Jacksonville, Florida. Harry Pepper will use these funds to install 55 plugs in 13.5 miles of the Merritt Canal, build and operate an 810 cubic feet per second pump station and spreader canal, maintain flood damage reduction on land outside the project area, remove 95 miles of crumbling roads, and manage non-native vegetation. Work began in November 2009 and will be completed in March 2011.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

To view a national map of Corps projects, see:
http://www.usace.army.mil/recovery/Pages/ProjectLocationsbeta.aspx.

Economic Impact: **Creates approximately 139,000 jobs and $23 billion of economic activity.**

## FEDERAL BUILDINGS – $5.575 BILLION

### GENERAL SERVICES ADMINISTRATION – $5.55 BILLION

Recovery Act:

1. **Provides $4.5 billion to convert General Services Administration (GSA) Federal buildings to High-Performance Green Buildings as defined in section 401 of P.L. 110-140, the Energy Independence and Security Act of 2007;**

2. **Provides $750 million for repair, alteration, and construction of Federal buildings and U.S. courthouses, and according to Joint Explanatory Statement of the Committee of Conference, of which $450 million shall be for a new headquarters for the Department of Homeland Security; and**

3. **Provides $300 million for border stations and land ports of entry.**

**Distribution:** Distributes funds through existing GSA prospectus and non-prospectus programs. GSA will determine the distribution of funds through its existing administrative processes.

**Prioritization:** According to Joint Explanatory Statement of the Committee of Conference, with regard to funding for High-Performance Green Buildings, funds are focused on projects that will, throughout the life-cycle of the building, reduce energy, water, and material resource use, improve indoor environmental quality, and reduce negative impacts on the environment, including air and water pollution and waste generation.[64] With regard to funds that are used for new U.S. courthouse construction, GSA is advised to consider projects for which the design provides courtroom space for senior judges for up to 10 years from eligibility for senior status, not to exceed one courtroom for every two senior judges.

**Shovel-Ready Deadlines:** Requires GSA to obligate not less than $5 billion of the funds by September 30, 2010, and the remainder not later than September 30, 2011.

**Transparency and Accountability Requirements:** GSA must submit a detailed plan, by project, regarding the use of funds made available in this Act to the Committees on Appropriations within 45 days (April 3, 2009) of enactment of the Recovery Act, and shall provide notification to said Committees within 15 days prior to any changes regarding the use of these funds.[65]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each

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[64] *See* Energy Independence and Security Act of 2007, Pub. L. No. 110-140, § 401 (2007).

[65] American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, Title V (2009).

calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[66]

**Recovery Act Implementation:** GSA has awarded contracts and begun work on 383 projects worth $2.4 billion, representing 43 percent of GSA's total apportionment. GSA plans to award a total of $4 billion worth of contracts by March 31, 2010, a total of $5 billion by September 30, 2010, and the remaining funds by September 30, 2011.

GSA's Recovery Act spending plan comprises projects in all 50 States, Washington, DC, and two Territories, including: [67]

- constructing 10 Federal buildings and courthouses in five States, Washington, DC, and Puerto Rico ($750 million);
- constructing seven border stations and land ports of entry in five States on the U.S.-Mexico and U.S.-Canada borders ($300 million);
- modernizing 45 Federal buildings and courthouses in 21 States, Washington, DC, and Puerto Rico with major projects to convert facilities to high-performance green buildings ($3.2 billion);
- modernizing 199 Federal buildings and courthouses in 48 States, Washington, DC, Puerto Rico, and the Virgin Islands with limited-scope projects to convert facilities to high-performance green buildings ($912 million); and
- modernizing Federal buildings and courthouses with small projects to convert facilities to high-performance green buildings ($161 million).

Each major modernization project will meet the energy efficiency and conservation requirements of the Energy Independence and Security Act of 2007 (P.L. 110-140). Each limited-scope modernization project will all include advanced meters for electricity and water. In addition, if the limited-scope project includes roof replacement, the roof will be replaced with integrated photovoltaic membrane (if flat and in the appropriate geography), maximum reasonable insulation for the climatic zone (R-50 in colder climates), or a green roof if an integrated photovoltaic roof is not warranted.

These projects will result in:

- installing 126 roofs, including 54 photovoltaic roofs;
- putting in place 135 lighting systems;

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[66] *Id.* § 1512.

[67] GSA released their original spending plan on March 31, 2009, and submitted their most recent amendment on January 19, 2010.

- installing 48 water systems; and
- completing 208 system tune-ups and recommissionings.

Recovery Act projects underway include:

- Ralph H. Metcalfe Federal Building in Chicago, Illinois ($1.6 million): Work began on January 5, 2010. The energy saving "green" elements of the project include retrofitting the HVAC systems as well as installing a lighting control system and light fixtures for smart lighting capabilities; and
- Potter Stewart U.S. Courthouse in Cincinnati, Ohio ($318,000): Construction commenced in January 2010 on this improvement to the existing courthouse. The project includes upgrading and expanding the existing Building Automation System to provide more efficient control of all building systems and reviewing and revising the building control strategies related to the HVAC system with an emphasis on client comfort as well as energy conservation.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**Economic Impact: Creates approximately 154,000 jobs and $27.5 billion of economic activity.**

## SMITHSONIAN INSTITUTION – $25 MILLION

**Recovery Act: Provides $25 million for repair and revitalization of existing Smithsonian Institution facilities.**

**Distribution:** Distributes funds through the Smithsonian Institution's existing administrative processes.

**Shovel-Ready Deadlines:** The Smithsonian Institution must obligate 100 percent of the funds by September 30, 2010.

**Transparency and Accountability Requirements:** The Smithsonian Institution must submit a general plan for expenditures of such funds to the Committees on Appropriations within 30 days (March 19, 2009) of enactment of the Recovery Act.[68]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[69]

**Recovery Act Implementation:** The Smithsonian has signed contracts worth $22 million for 16 projects, representing 100 percent of the Smithsonian's total Recovery Act spending plan.[70] The Smithsonian awarded 14 of the 16 construction projects to local small business firms. Construction on the first project began on June 6, 2009, and the Smithsonian plans to complete all construction by December 31, 2010. Examples of Recovery Act projects include:

- Arts and Industries Building in Washington, DC ($4.6 million): cleaning 73,000 square feet of masonry exterior wall, repairing 13,000 linear feet of brick mortar joints, and removing 374 tons of non-hazardous and 200 tons of hazardous interior materials; and

- National Zoological Park in Washington, DC ($9.7 million): replacing 52,060 square feet of roof, installing fire-protection equipment, and improving three bridges.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**Economic Impact: Creates approximately 700 jobs and $124 million of economic activity.**

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[68] *Id.* § 701.
[69] *Id.* § 1512.
[70] The Smithsonian set aside $3 million in contingency for unforeseen conditions.

ECONOMIC DEVELOPMENT ADMINISTRATION – $150 MILLION

Recovery Act: **Provides $150 million for EDA's economic development programs, of which not less than $50 million shall be for economic adjustment assistance under section 209 of the Public Works and Economic Development Act of 1965, and up to $50 million may be transferred to federally authorized regional economic development commissions.**[71]

**Distribution:** Distributes funds to local partners through EDA's existing regional allocation and project selection processes. EDA may transfer funds to the Appalachian Regional Commission, the Delta Regional Authority, the Northern Great Plains Regional Authority, the Northern Border Regional Commission, the Southeast Crescent Regional Commission, and the Southwest Border Regional Commission. These Federally authorized regional economic development commissions may assist eligible applicants in submitting applications to EDA, or may seek transfers directly from EDA.

**Prioritization:** Of the $150 million provided, not less than $50 million must be allocated for economic adjustment assistance under section 209 of the Public Works and Economic Development Act of 1965. EDA will allocate the remaining $100 million to either the Public Works and Economic Development Facilities Program or the Economic Adjustment Assistance Program, depending on demonstrated needs.

With regard to funding for economic adjustment assistance, the Secretary of Commerce shall give priority consideration to areas of the nation that have experienced sudden and severe economic dislocation and job loss due to corporate restructuring.

**Shovel-Ready Deadlines:** EDA must obligate 100 percent of the funds by September 30, 2010.

**Transparency and Accountability Requirements:** Each recipient that receives Recovery Act funds from a Federal agency must submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[72]

**Recovery Act Implementation:** On September 25, 2009, EDA reached a milestone by awarding its final Recovery Act project. In total, EDA awarded 68 grants in 37 States totaling $147 million.[73]

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[71] *Id.* Title II.
[72] *Id.* § 1512.
[73] EDA will use the remaining $3 million for administration and oversight.

EDA has broken ground on 34 of these projects totaling $70 million, representing 48 percent of the amount allocated to support these investments. EDA funded projects in areas of the nation that have experienced sudden and severe economic dislocation and job loss due to corporate restructuring. These projects target opportunities that will jump start our economy and support investments that will contribute to sustained economic growth across the country. EDA's implementation plan includes promoting:

- the development of regional innovation clusters, which leverage a region's existing competitive strengths to boost job creation and economic growth – 23 projects ($50 million);
- business incubation – 13 projects ($37 million);
- green jobs – 14 projects ($27 million); and
- trade and help connect regional economies to the opportunities offered by the global marketplace – five projects ($11 million).

Examples of projects underway include:

- City of Santa Cruz, California ($4.8 million): EDA provided this grant to help the city respond to job losses associated with corporate restructuring by renovating a historic Brownfield site to create the Digital Media Center at the Tannery, a business incubator for digital media companies. Due to the large number of small businesses in the Santa Cruz region that provide digital media services, the co-location of a variety of these individual service providers at the center provides an opportunity to promote the growth and development of the digital media cluster. This high-tech business incubator is expected to create 653 long-term jobs and leverage $33.8 million in private investment; and
- Arizona Bioscience Park in Tucson, Arizona ($4.7 million): Pima County experienced sudden and severe economic dislocation and job loss due to corporate restructuring, with the total number of unemployed persons rising 80 percent during the 12 month period ending in February 2009. A grant to the University of Arizona will help build the park to provide the region with a comprehensive training and research facility that will boost workforce training, research and development opportunities, higher-skilled, higher-wage jobs, and private sector investment in the bioscience sector. The new state-of-the-art research park will house a technology business incubator. The park's sophisticated, high-technology biosciences facilities will be integrated into a multi-use development. The grant is expected to help create 639 long-tern jobs and attract $33.1 million in private investment.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**Economic Impact: EDA estimates that construction related to Recovery Act investments will create 1,693 jobs over the next three years. EDA also expects these investments to create 18,908 long-term jobs and leverage $981 million in private investment during the next nine years.**

FEDERAL EMERGENCY MANAGEMENT AGENCY – $210 MILLION

**Recovery Act: Provides $210 million for Firefighter Assistance Grants, for modifying, upgrading, or constructing non-Federal fire stations.**

**Distribution:** Distributes funds through FEMA's existing competitive grant processes. No grant shall exceed $15 million.

**Shovel-Ready Deadlines:** FEMA must obligate 100 percent of the funds by September 30, 2010.

**Transparency and Accountability Requirements:** Each recipient that receives Recovery Act funds from a Federal agency must submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[74]

**Recovery Act Implementation:** FEMA has awarded 119 projects totaling $189 million in 41 States, representing 90 percent of the available funds. FEMA anticipates making as many as 10 additional awards.

This program is aimed at creating and saving jobs in recession-hit areas and achieving firefighter safety and improved response capability and capacity based on need. Recovery Act investments will fund the following:

- build 45 new fire stations to meet expanded responsibilities;
- replace 41 unsafe fire stations;
- renovate 16 unsafe fire stations;
- expand 10 fire stations to accommodate 24 hour/seven day coverage; and
- expand six fire stations to accommodate increased responsibilities.

[74] *Id.* § 1512.

Examples of new construction projects include:

- Newberg, Oregon ($764,000): Newberg's existing station, originally built in 1933 for use as a livestock barn, was later converted into a fire station. The existing station poses several health hazards. The station, built before enactment of current air quality standards, was built without a source capture exhaust system for the department's diesel vehicles. The bunk rooms, kitchen, and dayroom, where the department's firefighters live and work 24 hours per day, seven days per week, are in danger of contamination. As a result, the station does not comply with several National Fire Protection Association staffing and safety standards. Replacing the existing station will correct all these issues.

- City of Quincy, Florida ($1.2 million): Quincy's current station was built in the early 1960's and is the city's only fire station. The existing facility has no sprinkler system and does not comply with the Americans with Disabilities Act. Response time from the current station is over five minutes for approximately 60 percent of the south side of town. Building a new station will bring 100 percent of that area well within a five minute response time.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**Economic Impact: Creates approximately 5,800 jobs and $1 billion of economic activity.**

## COAST GUARD – $240 MILLION

### ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS – $98 MILLION

Recovery Act: **Provides $98 million for the Coast Guard's Acquisition, Construction, and Improvements program to fund ready-to-go Coast Guard shore facility repair projects. This funding cannot be used for pre-acquisition survey, design, or construction of a new polar icebreaker.**

**Distribution:** Distributes funds through the Coast Guard's existing administrative processes.

**Prioritization:** Funds are to be used for shore facilities and aids to navigation facilities; for materials and labor cost increases of priority procurements; and for costs to repair, renovate, assess, or improve vessels.

**Shovel-Ready Deadlines:** The Coast Guard must obligate 100 percent of the funds by September 30, 2010.

**Transparency and Accountability Requirements:** The Coast Guard must submit a plan for the expenditure of these funds to the Committees on Appropriations within 45 days (April 3, 2009) of enactment of the Recovery Act.[75]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[76]

**Recovery Act Implementation:** The Coast Guard has committed to spend $14 million. This amount represents 14 percent of the total apportionment for Acquisition, Construction, and Improvements.

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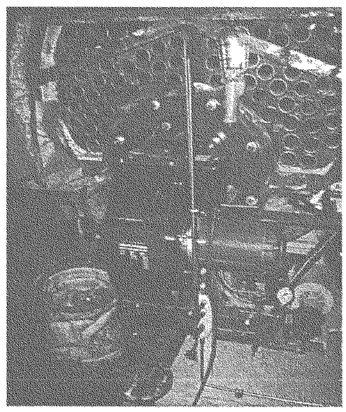
[75] *Id.* Title VI.
[76] *Id.* § 1512.

Recovery Act investments will result in:

- High Endurance Cutter Engineering changes ($10 million), including boiler fireside upgrades and boiler reliability improvement on eight Cutters, of which one is underway and an additional three are complete; and



- Shore facilities -- seven projects ($88 million), of which three are under contract.

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

<u>Economic Impact</u>: **Creates approximately 2,700 jobs and $500 million of economic activity.**

**BRIDGE ALTERATIONS – $142 MILLION**

Recovery Act: **Provides $142 million for the Coast Guard's Alteration of Bridges program, which funds the removal or alteration of bridges that are safety hazards or unreasonable obstructions to navigation.**

**Distribution:** Distributes funds through the Coast Guard's existing administrative processes.

**Prioritization:** The Coast Guard shall award these funds to those bridges that are ready to proceed to construction.

**Shovel-Ready Deadlines:** The Coast Guard must obligate 100 percent of funds by September 30, 2010.

**Transparency and Accountability Requirements:** The Coast Guard must submit a plan for the expenditure of these funds to the Committees on Appropriations within 45 days (April 3, 2009) of enactment of the Recovery Act.[77]

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[78]

**Recovery Act Implementation:** Contracts have been awarded and work has begun on three of the four planned bridge projects totaling $81 million, representing 57 percent of the available funds. These four bridges include:

- Elgin, Joliet, and Eastern Bridge over the Illinois Waterway in Divine, Illinois – built in 1885 ($30 million). Work is ongoing to replace the existing 120-foot horizontal clearance with a new 300-foot clearance. The bridge poses multiple hazards to navigation including shallow water depths and severe cross currents;

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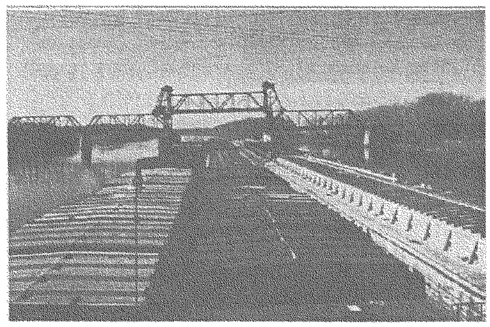
[77] *Id.* Title VI.
[78] *Id.* § 1512.



- Burlington Bridge over the Mississippi River in Iowa – built in 1892 ($36 million);
- Mobile Bridge over the Mobile River in Hurricane, Alabama – built in 1927 ($15 million); and
- Galveston Bridge over the Intercoastal Waterway in Texas – built in 1912 ($61 million).[79]

To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852

<u>Economic Impact</u>: **Creates approximately 4,000 jobs and $700 million of economic activity.**

[79] The Coast Guard plans to have a contract awarded for the Galveston bridge in April 2010.

## MARITIME ADMINISTRATION
## SMALL SHIPYARD GRANTS – $100 MILLION

Recovery Act: **Provides $100 million for grants to small shipyards for capital improvement and worker training as authorized by section 54101 of title 46, United States Code.**

**Distribution:** Distributes funds through the Maritime Administration's existing competitive grant program. The purpose of the grants is to make capital and infrastructure improvements that facilitate the efficiency, cost-effectiveness and quality of domestic ship construction, conversion or repair for commercial and federal government use. This program generally provides 75 percent Federal funds with 25 percent matching funds from the grant recipient. Grant funds may also be used for maritime training programs to foster technical skills and operational productivity.

Of the $100 million, $75 million is reserved for shipyards with 600 employees or fewer, and up to $25 million may be awarded to shipyards with up to 1,200 employees.

**Shovel-Ready Deadlines:** The Secretary of Transportation shall ensure that funds provided under this program shall be obligated within 180 days of the date of their distribution.

**Transparency and Accountability Requirements:** Grant recipients must submit periodic reports to the Maritime Administration on the use of Recovery Acts no later than 90 days (May 18, 2009), 180 days (August 16, 2009), one year (February 17, 2010), two years (February 17, 2011), and three years (February 17, 2012) after the date of enactment of the Recovery Act. These reports will be collected and compiled by the Maritime Administration and transmitted to Congress.

Each recipient that receives Recovery Act funds from a Federal agency must also submit a quarterly report to that agency no later than 10 days (beginning October 10, 2009) after the end of each calendar quarter. Each agency shall make such information publicly available by posting the information on a website no later than 30 days (beginning October 30, 2009) after the end of each calendar quarter. These reports include the amount of Recovery Act funds received, expended, and obligated, a detailed list of all projects for which Recovery Act funds were expended or obligated, and detailed information on any subcontracts or subgrants awarded by the recipient.[80]

**Recovery Act Implementation:** On August 18, 2009, the Maritime Administration awarded 70 grants totaling $98 million for small shipyard projects in 26 States and Guam.[81]

Work is underway or completed on all 70 projects ($98 billion), representing 100 percent of the total available Recovery Act small shipyard funds. Within this total, work is underway on 62 projects ($90 million), and work is completed on an additional eight projects ($8 million).

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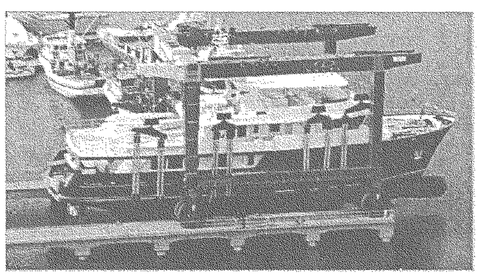
[80] *Id.* § 1512.
[81] The Maritime Administration received 454 grant applications totaling $1.25 billion.

Recovery Act investments will result in:

- drydock new construction, expansion, and enhancement – 13 projects ($33 million);
- steel work machinery – 23 projects (28 million);
- material handling (i.e., cranes, forklifts) – 18 projects ($21 million);
- shipyard infrastructure and improvements – six projects ($6.5 million);
- training – six projects ($6 million); and
- boat hoist – four projects ($5 million).

An example of a funded project includes:

- Steiner Shipyard in Bayou la Batre, Alabama ($1.8 million): Steiner Shipyard, a family owned shipyard, has been in business for over 50 years, and employs approximately 45 full-time and 10 part-time employees. Steiner Shipyard received a grant for the purchase of new launching equipment, a Travelift 400 metric ton boat hoist. The Travelift will allow the yard to complete the construction of vessels on shore, resulting in greater productivity. The new Travelift will also enable Steiner to construct larger vessels. The company estimates at least 20 new full-time jobs will be created because of this Recovery Act project.



To view the specific projects, see:
http://transportation.house.gov/singlepages/singlepages.aspx?NewsID=852.

**Economic Impact: Creates approximately 2,800 jobs and $500 million of economic activity.**

# T&I Committee Transparency and Accountability Information by State and Formula Funding under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) Submissions Received by T&I Committee (Data Reported as of February 28, 2010)

| | Recovery Act Funds Allocated | Recovery Act Funds Obligated | Recovery Act Funds Outlayed | Projects Put Out to Bid | Recovery Act Funds Associated with Projects Put Out to Bid | Projects Under Contract | Recovery Act Funds Associated with Projects Under Contract | Projects in Which Work Has Begun | Recovery Act Funds Associated with Projects in Which Work Has Begun | Completed Projects | Recovery Act Funds Associated with Completed Projects | Direct, On-Project Jobs Created or Sustained (Full-Time-Equivalent Job Months)* | Total Job Hours Created or Sustained | Total Payroll of Job Hours Created or Sustained |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Alabama** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $43,821,558 | $43,821,600 | $3,649,236 | 9 | $42,068,736 | 9 | $42,068,736 | 9 | $42,068,736 | 0 | $0 | 198 | 34,366 | $735,341 |
| Highway Infrastructure Investment | $513,692,083 | $513,692,083 | $125,213,229 | 199 | $413,492,777 | 144 | $405,818,629 | 137 | $399,490,715 | 23 | $26,809,016 | 3,383 | 586,328 | $7,306,564 |
| Transit Capital Assistance | $40,132,290 | $37,884,291 | $536,260 | 10 | $13,945,071 | 49 | $34,797,442 | 47 | $25,668,428 | 4 | $326,999 | 5 | 945 | $16,005 |
| Total | $597,645,931 | $595,397,974 | $129,398,725 | 218 | $469,506,584 | 202 | $482,684,807 | 193 | $467,227,879 | 27 | $27,136,015 | 3,586 | 621,639 | $8,057,910 |
| **Alaska** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $23,454,981 | $22,516,800 | $2,778,875 | 20 | $22,516,800 | 20 | $22,516,800 | 20 | $22,516,800 | 5 | $1,238,225 | 75 | 13,023 | $316,497 |
| Highway Infrastructure Investment | $175,461,487 | $175,461,487 | $38,900,451 | 25 | $166,661,487 | 18 | $119,171,307 | 15 | $99,603,656 | 2 | $8,673,230 | 666 | 115,484 | $5,433,227 |
| Transit Capital Assistance | $40,869,469 | $37,190,073 | $15,499,585 | 25 | $27,523,842 | 23 | $21,250,445 | 23 | $21,825,657 | 4 | $3,130,564 | 306 | 53,040 | $2,391,517 |
| Total | $239,785,937 | $235,168,360 | $57,178,911 | 70 | $216,702,129 | 61 | $162,938,352 | 58 | $143,946,113 | 11 | $13,042,019 | 1,047 | 181,547 | $8,541,241 |
| **American Samoa** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $3,354,000 | $3,354,000 | $0 | 0 | $0 | 0 | $0 | 0 | $0 | 0 | $0 | 0 | 25 | $500 |
| Highway Infrastructure Investment | $4,500,000 | $4,500,000 | $0 | 1 | $4,500,000 | 1 | $4,500,000 | 1 | $4,500,000 | 0 | $0 | 24 | 4,169 | $27,894 |
| Transit Capital Assistance | $341,099 | $341,099 | $0 | 1 | $0 | 0 | $0 | 0 | $0 | 0 | $0 | 0 | 0 | $0 |
| Total | $8,195,099 | $8,195,099 | $0 | 2 | $4,500,000 | 1 | $4,500,000 | 1 | $4,500,000 | 0 | $0 | 24 | 4,194 | $28,394 |
| **Arizona** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $26,469,630 | $25,410,816 | $12,734,896 | 17 | $25,410,816 | 17 | $25,410,816 | 17 | $25,410,816 | 8 | $12,531,636 | 1,104 | 191,340 | $6,158,088 |
| Fixed Guideway | $640,070 | $640,070 | $455 | 1 | $640,070 | 1 | $640,070 | 0 | $0 | 0 | $0 | 0 | 0 | $0 |
| Highway Infrastructure Investment | $520,911,019 | $520,911,019 | $115,577,087 | 168 | $412,385,191 | 158 | $398,003,977 | 158 | $398,003,977 | 29 | $60,083,745 | 5,659 | 980,861 | $24,186,481 |
| Transit Capital Assistance | $99,921,878 | $99,921,878 | $8,647,454 | 37 | $47,240,546 | 30 | $22,925,955 | 24 | $18,670,376 | 7 | $4,943,275 | 728 | 126,199 | $2,617,535 |
| Total | $647,942,597 | $646,883,783 | $136,959,892 | 223 | $485,676,623 | 206 | $446,980,818 | 199 | $442,085,169 | 44 | $77,558,656 | 7,491 | 1,298,400 | $32,962,104 |
| **Arkansas** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $25,636,545 | $25,636,500 | $4,692,927 | 7 | $24,611,040 | 7 | $24,611,040 | 3 | $9,148,687 | 0 | $0 | 231 | 40,108 | $564,423 |
| Highway Infrastructure Investment | $351,544,468 | $351,544,468 | $66,452,980 | 106 | $299,854,657 | 96 | $223,906,494 | 92 | $223,906,494 | 54 | $46,224,623 | 2,026 | 351,106 | $6,480,305 |
| Transit Capital Assistance | $20,573,849 | $19,636,947 | $6,789,943 | 19 | $60,598,022 | 19 | $13,763,948 | 19 | $13,763,948 | 7 | $3,665,755 | 315 | 54,544 | $777,040 |
| Total | $397,754,862 | $396,817,915 | $77,935,850 | 132 | $385,063,719 | 122 | $262,281,482 | 114 | $246,819,129 | 61 | $49,890,378 | 2,572 | 445,758 | $7,823,768 |
| **California** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $280,285,335 | $269,074,368 | $39,156,742 | 109 | $269,074,368 | 109 | $269,074,368 | 106 | $264,401,059 | 0 | $0 | 6,780 | 1,175,200 | $20,420,362 |
| Fixed Guideway | $63,214,610 | $63,214,610 | $8,735,211 | 9 | $62,083,158 | 9 | $60,445,681 | 10 | $63,214,610 | 1 | $1,131,452 | 555 | 96,231 | $3,822,081 |
| Highway Infrastructure Investment | $2,552,945,059 | $2,542,150,125 | $284,803,715 | 581 | $2,139,186,763 | 431 | $1,520,483,238 | 431 | $1,520,483,238 | 240 | $267,235,541 | 12,673 | 2,196,653 | $101,671,064 |
| Transit Capital Assistance | $796,796,592 | $771,479,911 | $215,376,047 | 339 | $540,867,824 | 241 | $533,061,222 | 313 | $627,399,148 | 104 | $70,814,475 | 23,987 | 4,157,819 | $122,168,643 |
| Total | $3,693,241,596 | $3,645,919,014 | $548,071,715 | 1,038 | $3,011,412,113 | 790 | $2,383,064,509 | 860 | $2,475,498,055 | 345 | $339,181,468 | 43,995 | 7,625,903 | $250,082,150 |
| **Colorado** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $31,348,152 | $31,347,700 | $8,104,411 | 12 | $30,093,792 | 12 | $30,093,792 | 12 | $30,093,792 | 0 | $0 | 206 | 35,691 | $1,249,193 |
| Fixed Guideway | $753,399 | $753,399 | $0 | 1 | $753,399 | 0 | $0 | 0 | $0 | 0 | $0 | 0 | 0 | $0 |
| Highway Infrastructure Investment | $385,324,130 | $385,324,130 | $120,917,355 | 103 | $385,324,130 | 83 | $343,065,514 | 75 | $321,506,179 | 18 | $33,748,474 | 5,180 | 897,884 | $23,596,986 |
| Transit Capital Assistance | $121,315,663 | $113,648,464 | $34,693,382 | 38 | $99,262,802 | 31 | $78,481,671 | 31 | $80,871,984 | 8 | $13,250,315 | 1,738 | 301,223 | $8,402,838 |
| Total | $538,741,344 | $531,073,693 | $163,715,148 | 154 | $515,434,123 | 126 | $451,640,977 | 118 | $432,471,955 | 26 | $46,998,789 | 7,124 | 1,234,798 | $33,249,017 |

*Consistent with the U.S. Department of Transportation's reporting requirements, this figure is based on direct, on-project full-time-equivalent (FTE) job months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

For a Territory where no row lists the Clean Water State Revolving Fund program, the Territory did not report to the T&I Committee. For a Territory where no row lists the Transit Capital Assistance program, the Territory and/or transit grant recipient did not report to the T&I Committee.

For a State/Territory where no row lists the Fixed Guideway program, the State/Territory does not receive Fixed Guideway funds (except for Michigan and Puerto Rico, where the transit grant recipient did not report to the T&I Committee).

| | Recovery Act Funds Allocated | Recovery Act Funds Obligated | Recovery Act Funds Outlayed | Projects Put Out to Bid | Recovery Act Funds Associated with Projects Put Out to Bid | Projects Under Contract | Recovery Act Funds Associated with Projects Under Contract | Projects in Which Work Has Begun | Recovery Act Funds Associated with Projects in Which Work Has Begun | Completed Projects | Recovery Act Funds Associated with Completed Projects | Direct, On-Project Jobs Created or Sustained (Full-Time-Equivalent Job Months)* | Total Job Hours Created or Sustained | Total Payroll of Job Hours Created or Sustained |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Connecticut** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $48,010,347 | $48,010,300 | $10,848,697 | 5 | $46,089,888 | 5 | $46,089,888 | 2 | $28,659,148 | 0 | $0 | 290 | 50,270 | $2,307,254 |
| Fixed Guideway | $32,030,396 | $32,030,396 | $3,673,620 | 3 | $32,030,396 | 2 | $5,493,947 | 2 | $5,493,947 | 0 | $0 | 0 | 0 | $0 |
| Highway Infrastructure Investment | $302,053,956 | $302,053,956 | $51,242,729 | 83 | $260,465,622 | 43 | $221,029,753 | 38 | $212,462,967 | 10 | $13,228,520 | 1,195 | 207,103 | $7,679,270 |
| Transit Capital Assistance | $120,767,245 | $119,035,745 | $861,491 | 19 | $113,240,799 | 16 | $113,105,741 | 16 | $113,105,741 | 0 | $0 | 39 | 6,808 | $377,379 |
| Total | $502,861,944 | $501,130,397 | $66,626,537 | 110 | $451,826,705 | 66 | $385,719,329 | 58 | $359,721,803 | 10 | $13,228,520 | 1,524 | 264,181 | $10,363,903 |
| **Delaware** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $19,239,066 | $18,469,536 | $1,542,499 | 10 | $18,469,536 | 10 | $18,469,536 | 2 | $6,583,986 | 0 | $0 | 29 | 5,016 | $126,354 |
| Highway Infrastructure Investment | $121,828,650 | $65,530,988 | $25,116,334 | 32 | $65,362,826 | 31 | $64,962,826 | 25 | $52,948,686 | 3 | $807,194 | 1,374 | 238,140 | $6,226,778 |
| Transit Capital Assistance | $19,000,000 | $17,994,157 | $68,368 | 5 | $17,994,157 | 4 | $17,700,766 | 3 | $16,044,131 | 0 | $0 | 30 | 5,178 | $209,215 |
| Total | $160,067,716 | $101,994,681 | $26,727,201 | 47 | $101,826,519 | 45 | $101,133,128 | 30 | $75,576,803 | 3 | $807,194 | 1,433 | 248,334 | $6,562,347 |
| **District of Columbia** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $19,239,066 | $19,239,100 | $1,241,220 | 25 | $19,239,100 | 25 | $19,239,100 | 14 | $9,417,915 | 0 | $0 | 24 | 4,172 | $155,915 |
| Fixed Guideway | $17,749,826 | $17,749,826 | $2,838,261 | 6 | $17,749,826 | 6 | $17,749,826 | 6 | $17,749,826 | 0 | $0 | 76 | 13,139 | $685,877 |
| Highway Infrastructure Investment | $123,507,842 | $123,507,842 | $10,010,005 | 13 | $123,507,842 | 13 | $105,378,134 | 12 | $103,119,088 | 1 | $1,000,000 | 485 | 84,081 | $2,434,767 |
| Transit Capital Assistance | $184,083,396 | $184,083,396 | $20,226,167 | 24 | $182,478,396 | 17 | $135,548,222 | 17 | $135,548,222 | 1 | $868,650 | 53 | 9,123 | $493,617 |
| Total | $344,580,130 | $344,580,164 | $34,315,653 | 70 | $342,975,164 | 61 | $277,915,282 | 49 | $265,835,051 | 2 | $1,868,650 | 638 | 110,515 | $3,769,676 |
| **Florida** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $132,286,374 | $132,286,300 | $24,056,056 | 28 | $132,286,300 | 28 | $132,286,300 | 28 | $132,286,300 | 0 | $0 | 2,490 | 431,610 | $5,988,901 |
| Fixed Guideway | $2,918,660 | $2,913,651 | $0 | 3 | $466,168 | 2 | $66,168 | 2 | $66,168 | 0 | $0 | 1 | 136 | $2,278 |
| Highway Infrastructure Investment | $1,346,042,707 | $1,348,151,413 | $176,254,055 | 556 | $1,153,279,404 | 465 | $960,300,113 | 397 | $844,853,795 | 78 | $20,100,796 | 6,443 | 1,116,748 | $25,618,271 |
| Transit Capital Assistance | $279,739,214 | $236,886,516 | $48,811,238 | 236 | $138,254,365 | 211 | $113,501,855 | 191 | $80,483,771 | 89 | $10,688,974 | 1,321 | 228,924 | $7,067,207 |
| Total | $1,760,986,955 | $1,720,237,880 | $249,121,349 | 823 | $1,424,286,237 | 706 | $1,206,154,436 | 618 | $1,057,690,034 | 167 | $30,789,770 | 10,254 | 1,777,418 | $38,676,657 |
| **Georgia** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $84,337,044 | $84,336,750 | $22,170,529 | 38 | $81,686,310 | 38 | $81,686,310 | 38 | $81,686,310 | 1 | $7,561,761 | 661 | 114,532 | $6,494,826 |
| Fixed Guideway | $7,380,854 | $7,380,854 | $0 | 1 | $7,380,854 | 1 | $7,380,854 | 0 | $0 | 0 | $0 | 0 | 0 | $0 |
| Highway Infrastructure Investment | $906,585,680 | $902,988,141 | $95,566,125 | 326 | $821,753,258 | 309 | $800,823,155 | 274 | $690,047,891 | 3 | $2,370,897 | 3,841 | 665,844 | $11,671,257 |
| Transit Capital Assistance | $127,909,498 | $117,527,463 | $47,341,297 | 15 | $68,895,808 | 13 | $71,335,716 | 12 | $81,944,100 | 3 | $133,285 | 6,880 | 1,192,455 | $39,836,048 |
| Total | $1,126,213,076 | $1,112,233,208 | $165,077,951 | 380 | $979,716,230 | 361 | $961,226,035 | 324 | $853,678,301 | 7 | $10,065,943 | 11,382 | 1,972,831 | $58,002,131 |
| **Guam** | | | | | | | | | | | | | | |
| Highway Infrastructure Investment | $18,000,000 | $18,000,000 | $0 | 5 | $18,000,000 | 4 | $12,702,000 | 0 | $0 | 0 | $0 | 0 | 0 | $0 |
| Transit Capital Assistance | $921,976 | $921,976 | $0 | 0 | $0 | 0 | $0 | 0 | $0 | 0 | $0 | 0 | 0 | $0 |
| Total | $18,000,000 | $18,000,000 | $0 | 5 | $18,000,000 | 4 | $12,702,000 | 0 | $0 | 0 | $0 | 0 | 0 | $0 |
| **Hawaii** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $30,352,311 | $29,752,300 | $10,951,889 | 7 | $29,752,300 | 7 | $29,752,300 | 6 | $24,701,984 | 0 | $0 | 124 | 21,523 | $1,076,150 |
| Fixed Guideway | $254,793 | $254,793 | $0 | 1 | $254,793 | 1 | $254,793 | 1 | $254,793 | 0 | $0 | 0 | 42 | $3,436 |
| Highway Infrastructure Investment | $125,746,380 | $125,746,380 | $8,163,666 | 20 | $98,324,691 | 18 | $95,338,204 | 13 | $47,411,763 | 0 | $0 | 274 | 47,451 | $1,879,100 |
| Transit Capital Assistance | $43,582,583 | $43,582,583 | $0 | 7 | $34,177,790 | 6 | $236,234,128 | 6 | $26,234,128 | 0 | $0 | 31 | 5,435 | $568,603 |
| Total | $199,936,067 | $199,336,056 | $19,115,555 | 35 | $162,509,574 | 32 | $361,579,425 | 26 | $98,602,668 | 0 | $0 | 430 | 74,451 | $3,527,289 |
| **Idaho** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $19,239,066 | $19,239,100 | $1,072,203 | 8 | $19,239,100 | 8 | $19,239,100 | 3 | $10,732,420 | 0 | $0 | 80 | 13,871 | $338,970 |
| Highway Infrastructure Investment | $178,878,631 | $178,878,631 | $40,550,031 | 73 | $178,733,631 | 32 | $124,903,189 | 32 | $124,903,189 | 0 | $0 | 1,476 | 255,761 | $7,575,439 |
| Transit Capital Assistance | $29,935,196 | $29,935,196 | $2,128,366 | 45 | $12,098,999 | 47 | $11,638,999 | 36 | $8,085,378 | 15 | $339,013 | 114 | 19,787 | $750,633 |
| Total | $228,052,893 | $228,052,927 | $43,750,600 | 126 | $210,071,730 | 87 | $155,781,288 | 71 | $143,720,987 | 15 | $339,013 | 1,670 | 289,419 | $8,665,042 |

*Consistent with the U.S. Department of Transportation's reporting requirements, this figure is based on direct, on-project full-time-equivalent (FTE) job months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

For a Territory where no row lists the Clean Water State Revolving Fund program, the Territory did not report to the T&I Committee. For a Territory where no row lists the Transit Capital Assistance program, the Territory and/or transit grant recipient did not report to the T&I Committee

For a State/Territory where no row lists the Fixed Guideway program, the State/Territory does not receive Fixed Guideway funds (except for Michigan and Puerto Rico, where the transit grant recipient did not report to the T&I Committee)

| | Recovery Act Funds Allocated | Recovery Act Funds Obligated | Recovery Act Funds Outlayed | Projects Put Out to Bid | Recovery Act Funds Associated with Projects Put Out to Bid | Projects Under Contract | Recovery Act Funds Associated with Projects Under Contract | Projects in Which Work Has Begun | Recovery Act Funds Associated with Projects in Which Work Has Begun | Completed Projects | Recovery Act Funds Associated with Completed Projects | Direct, On-Project Jobs Created or Sustained (Full-Time-Equivalent Job Months)* | Total Job Hours Created or Sustained | Total Payroll of Job Hours Created or Sustained |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Illinois** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $177,243,066 | $177,243,100 | $29,777,439 | 69 | $177,243,100 | 69 | $177,243,100 | 62 | $158,679,712 | 0 | $0 | 616 | 106,808 | $6,520,495 |
| Fixed Guideway | $95,534,850 | $93,265,050 | $36,005,386 | 9 | $95,534,850 | 9 | $95,534,850 | 6 | $58,409,243 | 3 | $32,580,000 | 3,886 | 673,655 | $31,549,649 |
| Highway Infrastructure Investment | $935,592,704 | $935,592,704 | $419,787,884 | 834 | $893,185,341 | 593 | $779,976,160 | 392 | $619,139,742 | 207 | $253,012,079 | 9,589 | 1,662,016 | $62,168,469 |
| Transit Capital Assistance | $365,690,769 | $347,726,917 | $166,324,285 | 69 | $342,661,291 | 60 | $340,816,588 | 45 | $321,985,012 | 10 | $102,641,499 | 10,658 | 1,847,394 | $94,433,285 |
| Total | $1,574,061,389 | $1,552,827,771 | $651,894,994 | 981 | $1,508,624,582 | 731 | $1,393,570,698 | 505 | $1,158,213,711 | 220 | $388,233,578 | 24,749 | 4,289,873 | $194,671,898 |
| **Indiana** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $94,447,485 | $94,447,500 | $32,724,717 | 43 | $94,447,500 | 43 | $94,447,500 | 43 | $94,447,500 | 2 | $1,313,000 | 381 | 65,999 | $795,951 |
| Fixed Guideway | $6,412,487 | $6,412,487 | $623,123 | 1 | $6,412,487 | 1 | $6,412,487 | 1 | $6,412,487 | 0 | $0 | 57 | 9,882 | $816,545 |
| Highway Infrastructure Investment | $657,967,707 | $760,373,821 | $386,823,105 | 941 | $607,843,262 | 941 | $607,843,262 | 880 | $585,242,455 | 425 | $190,368,228 | 4,784 | 829,240 | $25,313,501 |
| Transit Capital Assistance | $76,642,415 | $72,818,745 | $23,671,673 | 58 | $57,248,065 | 61 | $57,726,614 | 60 | $58,165,819 | 25 | $14,475,119 | 1,654 | 286,648 | $6,938,065 |
| Total | $835,470,094 | $934,052,553 | $443,842,638 | 1,043 | $765,951,314 | 1,046 | $766,429,863 | 984 | $744,268,261 | 452 | $206,156,347 | 6,876 | 1,191,769 | $33,864,062 |
| **Iowa** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $53,040,042 | $53,040,000 | $4,265,335 | 47 | $53,040,000 | 47 | $53,040,000 | 40 | $41,600,000 | 0 | $0 | 2 | 432 | $9,044 |
| Highway Infrastructure Investment | $357,623,007 | $357,623,007 | $213,423,960 | 240 | $352,199,382 | 240 | $352,199,382 | 232 | $344,065,627 | 62 | $61,234,616 | 6,809 | 1,180,310 | $30,723,334 |
| Transit Capital Assistance | $35,640,339 | $33,034,369 | $9,435,552 | 95 | $30,504,438 | 95 | $28,117,262 | 60 | $15,590,291 | 11 | $913,068 | 215 | 37,323 | $370,307 |
| Total | $446,303,388 | $443,697,376 | $227,124,847 | 382 | $435,743,820 | 382 | $433,356,644 | 332 | $401,255,918 | 73 | $62,147,684 | 7,026 | 1,218,065 | $31,102,685 |
| **Kansas** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $35,374,185 | $35,374,200 | $70,500 | 22 | $35,374,200 | 22 | $35,374,200 | 15 | $31,058,923 | 1 | $70,500 | 3 | 468 | $4,175 |
| Highway Infrastructure Investment | $347,817,167 | $348,242,169 | $53,784,465 | 147 | $347,817,167 | 123 | $273,306,646 | 58 | $227,987,610 | 13 | $3,647,222 | 1,981 | 343,455 | $8,640,565 |
| Transit Capital Assistance | $25,203,158 | $20,650,981 | $2,820,969 | 23 | $16,630,210 | 20 | $16,097,933 | 21 | $18,139,319 | 10 | $2,086,599 | 154 | 26,741 | $599,260 |
| Total | $408,394,510 | $404,267,350 | $56,675,934 | 192 | $399,821,577 | 165 | $324,778,779 | 94 | $277,185,852 | 24 | $5,804,321 | 2,138 | 370,664 | $9,244,000 |
| **Kentucky** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $49,878,081 | $49,878,100 | $2,748,200 | 44 | $47,882,976 | 44 | $47,882,976 | 39 | $41,019,601 | 0 | $0 | 310 | 53,721 | $976,020 |
| Highway Infrastructure Investment | $420,854,991 | $420,347,654 | $125,768,120 | 101 | $407,780,564 | 46 | $388,818,224 | 39 | $371,505,323 | 3 | $13,790,659 | 3,947 | 684,209 | $20,538,829 |
| Transit Capital Assistance | $49,850,323 | $46,839,977 | $24,300,408 | 130 | $42,499,810 | 126 | $39,363,215 | 176 | $35,965,215 | 54 | $11,196,952 | 497 | 86,215 | $2,653,656 |
| Total | $520,583,395 | $517,065,731 | $152,816,728 | 275 | $498,163,350 | 216 | $476,064,415 | 204 | $448,490,139 | 57 | $24,987,611 | 4,754 | 824,145 | $24,168,505 |
| **Louisiana** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $43,081,434 | $43,081,400 | $1,645,881 | 53 | $43,081,400 | 53 | $43,081,400 | 7 | $10,484,497 | 0 | $0 | 35 | 6,016 | unavailable |
| Fixed Guideway | $2,425,300 | $2,425,300 | $2,425,300 | 2 | $2,425,300 | 2 | $80,000 | 2 | $80,000 | 2 | $80,000 | 15 | 2,640 | $64,885 |
| Highway Infrastructure Investment | $429,859,427 | $429,859,427 | $32,067,295 | 61 | $343,695,303 | 54 | $338,379,354 | 51 | $327,206,487 | 1 | $675,463 | 1,537 | 266,405 | $6,435,189 |
| Transit Capital Assistance | $50,446,673 | $39,388,256 | $15,715,584 | 103 | $24,981,807 | 134 | $26,904,434 | 130 | $22,578,305 | 60 | $12,107,746 | 3,273 | 567,286 | $7,634,323 |
| Total | $525,812,834 | $514,754,383 | $51,854,060 | 219 | $414,183,810 | 243 | $408,445,188 | 190 | $360,349,289 | 63 | $12,863,209 | 4,860 | 842,347 | $14,134,397 |
| **Maine** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $30,336,768 | $29,123,328 | $0 | 39 | $29,123,328 | 39 | $29,123,328 | 38 | $27,936,334 | 16 | $8,077,451 | 763 | 132,168 | $3,314,662 |
| Highway Infrastructure Investment | $130,752,032 | $130,752,032 | $91,388,147 | 72 | $130,752,032 | 72 | $130,752,032 | 72 | $130,752,032 | 42 | $57,544,408 | 3,284 | 569,204 | $13,873,359 |
| Transit Capital Assistance | $13,266,105 | $13,266,105 | $651,320 | 5 | $13,266,105 | 4 | $10,943,440 | 4 | $10,943,440 | 0 | $0 | 39 | 6,676 | $116,723 |
| Total | $174,354,905 | $173,141,465 | $92,039,467 | 116 | $173,141,465 | 115 | $170,818,800 | 114 | $169,631,806 | 58 | $65,621,859 | 4,086 | 708,048 | $17,304,744 |
| **Maryland** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $94,784,580 | $94,784,600 | $6,696,416 | 67 | $92,784,600 | 67 | $92,784,600 | 67 | $92,784,600 | 2 | $511,500 | 62 | 10,690 | $235,393 |
| Fixed Guideway | $15,176,485 | $15,176,485 | $568,339 | 6 | $15,176,485 | 4 | $9,377,914 | 3 | $6,377,914 | 1 | $400,000 | 49 | 8,428 | $366,422 |
| Highway Infrastructure Investment | $431,034,777 | $413,934,777 | $112,380,207 | 143 | $395,311,146 | 125 | $344,347,210 | 116 | $331,744,823 | 14 | $29,236,356 | 3,752 | 650,372 | $13,248,957 |
| Transit Capital Assistance | $136,550,987 | $110,234,914 | $26,532,830 | 75 | $123,062,780 | 56 | $85,881,996 | 35 | $61,583,016 | 15 | $15,778,326 | 787 | 136,452 | $4,403,418 |
| Total | $677,546,829 | $634,130,776 | $146,177,792 | 291 | $626,335,011 | 252 | $532,391,720 | 221 | $492,490,353 | 32 | $45,926,182 | 4,650 | 805,942 | $18,254,190 |

*Consistent with the U.S. Department of Transportation's reporting requirements, this figure is based on direct, on-project full-time-equivalent (FTE) job months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

For a Territory where no row lists the Clean Water State Revolving Fund program, the Territory did not report to the T&I Committee. For a Territory where no row lists the Transit Capital Assistance program, the Territory and/or transit grant recipient did not report to the T&I Committee.

For a State/Territory where no row lists the Fixed Guideway program, the State/Territory does not receive Fixed Guideway funds (except for Michigan and Puerto Rico, where the transit grant recipient did not report to the T&I Committee).

| | Recovery Act Funds Allocated | Recovery Act Funds Obligated | Recovery Act Funds Outlayed | Projects Put Out to Bid | Recovery Act Funds Associated with Projects Put Out to Bid | Projects Under Contract | Recovery Act Funds Associated with Projects Under Contract | Projects in Which Work Has Begun | Recovery Act Funds Associated with Projects in Which Work Has Begun | Completed Projects | Recovery Act Funds Associated with Completed Projects | Direct, On-Project Jobs Created or Sustained (Full-Time-Equivalent Job Months)* | Total Job Hours Created or Sustained | Total Payroll of Job Hours Created or Sustained |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Massachusetts | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $133,057,188 | $133,057,300 | $24,091,606 | 61 | $127,735,008 | 61 | $127,735,008 | 61 | $127,735,008 | 0 | $0 | 122 | 21,125 | $893,834 |
| Fixed Guideway | $51,513,648 | $51,513,648 | $1,127,044 | 38 | $25,115,967 | 34 | $24,535,815 | 34 | $24,535,815 | 0 | $0 | 119 | 20,557 | $716,283 |
| Highway Infrastructure Investment | $425,065,255 | $378,205,755 | $45,243,385 | 84 | $378,205,755 | 68 | $277,206,872 | 68 | $277,206,872 | 1 | $2,406,702 | 1,034 | 179,273 | $7,120,014 |
| Transit Capital Assistance | $248,656,538 | $174,660,285 | $18,786,586 | 171 | $103,434,165 | 148 | $90,273,443 | 145 | $80,740,656 | 42 | $11,342,378 | 508 | 87,990 | $2,546,051 |
| Total | $858,292,629 | $737,436,988 | $89,247,621 | 354 | $634,490,895 | 311 | $519,751,138 | 308 | $510,218,351 | 43 | $13,749,080 | 1,783 | 308,945 | $11,276,182 |
| Michigan | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $168,508,989 | $168,509,000 | $59,660,353 | 67 | $168,509,000 | 67 | $168,509,000 | 67 | $168,509,000 | 3 | $419,000 | 1,788 | 309,999 | $10,992,658 |
| Highway Infrastructure Investment | $847,204,834 | $848,414,198 | $225,456,323 | 564 | $757,307,754 | 531 | $737,333,342 | 317 | $506,468,593 | 225 | $133,109,741 | 5,940 | 1,029,530 | $30,914,315 |
| Transit Capital Assistance | $135,527,367 | $120,080,614 | $24,201,133 | 122 | $79,081,460 | 127 | $63,871,305 | 85 | $55,327,121 | 41 | $13,515,583 | 3,448 | 597,611 | $14,942,314 |
| Total | $1,151,241,190 | $1,137,003,812 | $309,317,809 | 753 | $1,004,898,214 | 725 | $969,713,647 | 469 | $730,304,714 | 269 | $147,044,324 | 11,176 | 1,937,140 | $56,849,287 |
| Minnesota | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $82,564,014 | $82,564,000 | $51,440,175 | 25 | $79,682,760 | 25 | $79,682,760 | 25 | $79,682,760 | 2 | $1,091,365 | 967 | 167,678 | $6,533,890 |
| Fixed Guideway | $1,851,573 | $1,851,573 | $0 | 1 | $1,806,843 | 1 | $1,806,843 | 1 | $1,806,843 | 0 | $0 | 0 | 0 | $0 |
| Highway Infrastructure Investment | $502,284,177 | $505,550,989 | $232,641,620 | 212 | $496,182,823 | 176 | $422,743,059 | 166 | $372,041,807 | 73 | $138,745,472 | 6,220 | 1,078,189 | $35,725,611 |
| Transit Capital Assistance | $93,341,542 | $89,749,954 | $26,996,098 | 85 | $64,735,050 | 84 | $64,670,994 | 78 | $58,745,899 | 62 | $26,550,910 | 2,535 | 439,347 | $18,301,316 |
| Total | $680,041,306 | $679,716,516 | $311,077,893 | 323 | $642,407,476 | 286 | $568,903,656 | 270 | $512,277,309 | 137 | $166,387,747 | 9,722 | 1,685,214 | $60,560,817 |
| Mississippi | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $35,308,350 | $35,308,300 | $2,737,472 | 16 | $33,895,968 | 16 | $33,895,968 | 16 | $33,895,968 | 0 | $0 | 15 | 2,649 | unavailable |
| Highway Infrastructure Investment | $354,564,343 | $354,564,343 | $150,165,859 | 155 | $330,507,652 | 148 | $326,553,552 | 72 | $275,124,353 | 27 | $66,490,120 | 498 | 86,399 | $1,479,190 |
| Transit Capital Assistance | $20,552,566 | $11,080,002 | $1,408,485 | 6 | $342,371 | 5 | $268,751 | 7 | $298,821 | 4 | $18,751 | 149 | 25,907 | $314,736 |
| Total | $410,425,259 | $400,952,645 | $154,311,816 | 177 | $364,745,991 | 169 | $360,718,271 | 95 | $309,319,142 | 31 | $66,508,871 | 662 | 114,955 | $1,793,926 |
| Missouri | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $108,641,808 | $108,641,800 | $5,233,648 | 44 | $104,955,560 | 44 | $104,955,560 | 44 | $104,955,560 | 0 | $0 | 104 | 18,053 | $826,186 |
| Fixed Guideway | $1,289,449 | $1,289,449 | $105,384 | 1 | $1,161,877 | 0 | $0 | 1 | $1,161,877 | 0 | $0 | 10 | 1,678 | $92,267 |
| Highway Infrastructure Investment | $637,121,984 | $637,121,984 | $180,673,334 | 317 | $608,126,756 | 273 | $503,286,103 | 219 | $409,400,262 | 117 | $113,543,153 | 3,863 | 669,663 | $23,273,765 |
| Transit Capital Assistance | $91,683,858 | $83,886,374 | $18,383,680 | 48 | $36,161,326 | 42 | $32,851,232 | 41 | $30,918,114 | 23 | $7,396,198 | 146 | 25,308 | $985,027 |
| Total | $838,737,099 | $830,939,607 | $204,396,246 | 410 | $750,405,519 | 359 | $641,092,895 | 305 | $546,435,813 | 140 | $120,939,351 | 4,123 | 714,702 | $25,177,245 |
| Montana | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $19,239,066 | $19,239,100 | $11,580,967 | 31 | $18,469,536 | 31 | $18,469,536 | 31 | $18,469,536 | 9 | $6,061,000 | 745 | 129,127 | $4,016,099 |
| Highway Infrastructure Investment | $211,793,391 | $212,470,571 | $63,206,307 | 83 | $211,470,571 | 74 | $195,454,083 | 69 | $165,226,510 | 27 | $17,625,816 | 2,436 | 422,282 | $11,564,307 |
| Transit Capital Assistance | $15,611,710 | $15,611,710 | $991,047 | 22 | $13,358,505 | 18 | $11,596,707 | 9 | $8,080,388 | 2 | $717,800 | 13 | 2,239 | $73,422 |
| Total | $246,644,167 | $247,321,381 | $75,778,321 | 136 | $243,298,612 | 123 | $225,520,326 | 109 | $191,776,443 | 38 | $24,404,616 | 3,194 | 553,648 | $15,653,827 |
| Nebraska | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $20,045,025 | $20,045,000 | $8,595,350 | 16 | $20,045,000 | 16 | $20,045,000 | 15 | $17,114,500 | 1 | $150,000 | 306 | 53,102 | $1,172,930 |
| Highway Infrastructure Investment | $235,589,279 | $231,739,279 | $82,423,270 | 121 | $231,739,279 | 87 | $187,575,387 | 71 | $173,427,745 | 12 | $28,008,889 | 2,835 | 491,321 | $8,893,812 |
| Transit Capital Assistance | $23,790,610 | $22,880,974 | $7,433,357 | 20 | $12,640,962 | 28 | $17,633,312 | 20 | $10,251,863 | 10 | $431,304 | 43 | 7,436 | $158,626 |
| Total | $279,424,914 | $274,665,253 | $98,451,977 | 157 | $264,425,241 | 131 | $225,273,699 | 106 | $200,794,108 | 23 | $28,590,193 | 3,184 | 551,859 | $10,225,368 |
| Nevada | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $19,239,066 | $19,222,555 | $1,552,336 | 13 | $19,222,555 | 13 | $19,222,555 | 2 | $994,647 | 0 | $0 | 73 | 12,643 | unavailable |
| Highway Infrastructure Investment | $201,352,460 | $201,352,460 | $32,350,866 | 43 | $186,739,022 | 27 | $97,133,025 | 21 | $86,304,169 | 2 | $4,475,244 | 1,235 | 214,130 | $7,285,972 |
| Transit Capital Assistance | $49,463,770 | $47,403,508 | $9,624,314 | 22 | $46,190,547 | 22 | $46,190,547 | 22 | $46,190,547 | 4 | $855,245 | 706 | 122,348 | $6,526,438 |
| Total | $270,055,296 | $267,978,323 | $43,527,516 | 78 | $252,153,024 | 62 | $162,546,127 | 45 | $133,489,363 | 6 | $5,330,489 | 2,014 | 349,121 | $13,812,432 |

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| | Recovery Act Funds Allocated | Recovery Act Funds Obligated | Recovery Act Funds Outlayed | Projects Put Out to Bid | Recovery Act Funds Associated with Projects Put Out to Bid | Projects Under Contract | Recovery Act Funds Associated with Projects Under Contract | Projects in Which Work Has Begun | Recovery Act Funds Associated with Projects in Which Work Has Begun | Completed Projects | Recovery Act Funds Associated with Completed Projects | Direct, On-Project Jobs Created or Sustained (Full-Time-Equivalent Job Months)* | Total Job Hours Created or Sustained | Total Payroll of Job Hours Created or Sustained |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **New Hampshire** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $39,163,905 | $37,597,344 | $192,506,883 | 48 | $37,597,344 | 48 | $37,597,344 | 48 | $37,597,344 | 4 | $514,500 | 234 | 40,580 | $1,376,030 |
| Highway Infrastructure Investment | $129,440,556 | $129,440,556 | $51,635,959 | 34 | $129,440,556 | 30 | $120,768,780 | 25 | $117,881,175 | 9 | $25,218,324 | 1,667 | 288,950 | $7,146,565 |
| Transit Capital Assistance | $16,813,086 | $16,187,591 | $5,188,382 | 56 | $13,082,504 | 45 | $11,406,626 | 43 | $9,449,608 | 34 | $3,462,433 | 164 | 28,501 | $1,111,928 |
| Total | $185,417,547 | $183,225,491 | $249,331,224 | 138 | $180,120,404 | 123 | $169,772,750 | 116 | $164,928,127 | 47 | $29,195,257 | 2,065 | 358,031 | $9,634,523 |
| **New Jersey** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $160,146,855 | $160,146,900 | $7,670,098 | 44 | $160,146,900 | 44 | $160,146,900 | 29 | $103,952,716 | 0 | $0 | 85 | 14,803 | $559,114 |
| Fixed Guideway | $71,580,362 | $71,580,362 | $46,316,846 | 2 | $22,276,571 | 2 | $22,276,571 | 3 | $56,580,571 | 0 | $0 | 3,695 | 640,536 | $16,270,306 |
| Highway Infrastructure Investment | $651,774,480 | $651,774,480 | $149,228,422 | 100 | $534,714,091 | 67 | $445,477,827 | 49 | $421,678,526 | 3 | $4,407,981 | 3,216 | 557,413 | $22,859,494 |
| Transit Capital Assistance | $361,539,801 | $361,539,801 | $99,168,580 | 13 | $325,039,315 | 12 | $301,039,313 | 14 | $337,539,313 | 1 | $11,000,000 | 4,570 | 792,087 | $20,103,176 |
| Total | $1,245,041,498 | $1,245,041,543 | $302,383,946 | 159 | $1,042,176,875 | 125 | $928,940,611 | 95 | $919,751,126 | 4 | $15,407,981 | 11,566 | 2,004,839 | $59,792,090 |
| **New Mexico** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $23,789,066 | $23,789,100 | $1,757,811 | 17 | $23,019,536 | 17 | $23,019,536 | 7 | $8,236,612 | 0 | $0 | 0 | 0 | $0 |
| Highway Infrastructure Investment | $252,644,377 | $252,644,377 | $62,194,754 | 71 | $229,417,059 | 42 | $183,895,324 | 31 | $176,312,371 | 0 | $0 | 356 | 61,793 | $1,219,771 |
| Transit Capital Assistance | $27,518,452 | $27,518,452 | $6,021,248 | 35 | $27,293,452 | 34 | $18,553,519 | 34 | $18,553,519 | 0 | $0 | 46 | 7,978 | $238,322 |
| Total | $303,951,895 | $303,951,929 | $69,973,813 | 123 | $279,730,047 | 93 | $225,468,379 | 72 | $203,102,502 | 0 | $0 | 402 | 69,771 | $1,458,093 |
| **New York** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $432,563,967 | $432,564,200 | $29,817,727 | 80 | $420,668,684 | 80 | $420,668,684 | 43 | $296,802,067 | 2 | $1,283,031 | 734 | 127,223 | $6,310,642 |
| Fixed Guideway | $254,817,807 | $254,817,807 | $8,040,777 | 16 | $254,817,807 | 15 | $242,401,102 | 16 | $242,461,090 | 1 | $99,050 | 409 | 70,813 | unavailable |
| Highway Infrastructure Investment | $945,218,723 | $112,068,723 | $210,435,255 | 418 | $917,324,576 | 351 | $729,839,713 | 318 | $676,946,506 | 80 | $73,059,759 | 6,807 | 1,179,882 | $41,478,662 |
| Transit Capital Assistance | $1,204,754,286 | $1,026,387,596 | $63,609,622 | 91 | $969,800,367 | 88 | $939,584,760 | 76 | $930,292,467 | 23 | $7,881,211 | 1,850 | 320,626 | $12,120,852 |
| Total | $2,837,354,783 | $1,825,838,326 | $311,903,381 | 605 | $2,562,611,434 | 534 | $2,332,494,260 | 453 | $2,146,502,130 | 106 | $82,323,051 | 9,800 | 1,698,544 | $59,910,156 |
| **North Carolina** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $70,729,065 | $70,729,100 | $14,231,493 | 56 | $67,899,936 | 56 | $67,899,936 | 50 | $63,285,995 | 3 | $593,871 | 957 | 165,904 | $2,494,852 |
| Highway Infrastructure Investment | $730,592,684 | $730,409,684 | $191,071,065 | 360 | $631,714,353 | 351 | $612,738,063 | 266 | $514,182,407 | 30 | $35,935,096 | 8,516 | 1,476,170 | $25,197,431 |
| Transit Capital Assistance | $94,063,199 | $79,314,516 | $5,889,849 | 72 | $41,996,692 | 62 | $34,362,862 | 55 | $30,156,983 | 13 | $3,749,171 | 809 | 140,196 | $2,682,750 |
| Total | $895,384,948 | $880,453,300 | $211,202,407 | 488 | $741,610,981 | 469 | $715,000,861 | 371 | $607,625,385 | 46 | $40,278,138 | 10,282 | 1,782,270 | $30,375,033 |
| **North Dakota** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $16,639,066 | $16,639,100 | $6,985,813 | 18 | $15,869,536 | 18 | $15,869,536 | 17 | $14,743,536 | 2 | $723,955 | 263 | 45,656 | $266,537 |
| Highway Infrastructure Investment | $170,126,497 | $170,126,497 | $75,204,195 | 163 | $164,507,565 | 127 | $134,585,303 | 86 | $84,868,525 | 53 | $47,762,614 | 2,355 | 408,147 | $9,811,564 |
| Transit Capital Assistance | $10,997,089 | $10,997,089 | $749,625 | 12 | $4,963,794 | 11 | $4,963,794 | 10 | $3,886,639 | 4 | $347,026 | 2 | 336 | $23,327 |
| Total | $197,762,652 | $197,762,686 | $82,939,633 | 193 | $185,340,893 | 156 | $155,418,633 | 113 | $103,498,700 | 59 | $48,833,595 | 2,620 | 454,139 | $10,101,428 |
| **Northern Marianas** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $3,280,700 | $78,490 | $78,490 | 2 | $2,930,700 | 1 | $1,829,000 | 1 | $1,829,000 | 0 | $0 | 7 | 1,170 | unavailable |
| Highway Infrastructure Investment | $4,500,000 | $4,500,000 | $19,350 | 1 | $4,500,000 | 1 | $4,500,000 | 1 | $4,500,000 | 0 | $0 | 1 | 241 | $5,012 |
| Transit Capital Assistance | $1,114,293 | $0 | $0 | 0 | $0 | 0 | $0 | 0 | $0 | 0 | $0 | 0 | 0 | $0 |
| Total | $8,894,993 | $4,578,490 | $97,840 | 3 | $7,430,700 | 2 | $6,329,000 | 2 | $6,329,000 | 0 | $0 | 8 | 1,411 | $5,012 |
| **Ohio** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $220,623,381 | $220,623,100 | $15,771,949 | 274 | $220,623,100 | 274 | $220,623,100 | 211 | $171,153,608 | 0 | $0 | 992 | 171,972 | $3,171,754 |
| Fixed Guideway | $11,182,724 | $10,160,215 | $0 | 6 | $9,723,129 | 6 | $9,723,129 | 6 | $9,723,129 | 1 | $393,878 | 242 | 42,000 | $1,071,202 |
| Highway Infrastructure Investment | $935,677,030 | $918,827,030 | $124,737,773 | 389 | $918,827,030 | 236 | $552,719,729 | 236 | $552,719,729 | 68 | $49,971,787 | 4,702 | 814,959 | $25,576,809 |
| Transit Capital Assistance | $164,269,076 | $130,117,734 | $39,851,382 | 282 | $127,895,463 | 235 | $102,583,305 | 206 | $97,577,274 | 110 | $31,203,026 | 3,312 | 574,047 | $30,302,515 |
| Total | $1,331,752,211 | $1,279,728,079 | $180,361,104 | 951 | $1,277,068,722 | 751 | $885,649,263 | 659 | $831,173,737 | 179 | $81,570,691 | 9,248 | 1,602,978 | $60,122,280 |
| **Oklahoma** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $31,662,081 | $31,662,100 | $9,769,394 | 33 | $30,395,616 | 33 | $30,395,616 | 31 | $28,309,316 | 1 | $63,304 | 380 | 65,940 | $1,572,723 |
| Highway Infrastructure Investment | $464,655,225 | $464,655,225 | $256,055,424 | 232 | $431,025,106 | 206 | $420,134,522 | 161 | $406,756,058 | 71 | $90,216,069 | 8,655 | 1,500,212 | $26,666,296 |
| Transit Capital Assistance | $35,798,236 | $31,848,236 | $5,375,228 | 26 | $26,429,763 | 28 | $20,581,407 | 25 | $19,498,206 | 1 | $4,940 | 251 | 43,514 | $729,061 |
| Total | $532,115,542 | $528,165,561 | $271,199,846 | 291 | $487,850,485 | 267 | $471,111,545 | 217 | $454,563,580 | 73 | $90,284,313 | 9,286 | 1,609,666 | $28,968,080 |

*Consistent with the U.S. Department of Transportation's reporting requirements, the figure is based on direct, on-project full time-equivalent (FTE) job months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

For a Territory where no row lists the Clean Water State Revolving Fund program, the Territory did not report to the T&I Committee. For a Territory where no row lists the Transit Capital Assistance program, the Territory and/or transit grant recipient did not report to the T&I Committee.

| | Recovery Act Funds Allocated | Recovery Act Funds Obligated | Recovery Act Funds Outlayed | Projects Put Out to Bid | Recovery Act Funds Associated with Projects Put Out to Bid | Projects Under Contract | Recovery Act Funds Associated with Projects Under Contract | Projects in Which Work Has Begun | Recovery Act Funds Associated with Projects in Which Work Has Begun | Completed Projects | Recovery Act Funds Associated with Completed Projects | Direct, On-Project Jobs Created or Sustained (Full-Time-Equivalent Job Months)* | Total Job Hours Created or Sustained | Total Payroll of Job Hours Created or Sustained |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Oregon** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $44,271,018 | $44,271,000 | $13,925,090 | 13 | $44,271,000 | 13 | $44,271,000 | 9 | $31,563,140 | 1 | $4,000,000 | 442 | 76,582 | $3,991,295 |
| Fixed Guideway | $1,125,728 | $1,125,728 | $1,125,728 | 0 | $0 | 0 | $0 | 1 | $1,125,728 | 1 | $1,125,728 | 121 | 20,887 | $1,125,728 |
| Highway Infrastructure Investment | $320,656,698 | $272,762,676 | $119,311,671 | 249 | $209,442,086 | 248 | $209,412,086 | 232 | $200,074,737 | 103 | $10,977,923 | 4,828 | 836,782 | $27,402,030 |
| Transit Capital Assistance | $95,164,544 | $86,297,844 | $41,281,972 | 41 | $65,501,041 | 42 | $63,370,749 | 43 | $77,455,870 | 18 | $14,037,147 | 2,282 | 395,580 | $18,582,555 |
| Total | $461,217,988 | $404,457,248 | $175,644,461 | 303 | $319,214,127 | 303 | $317,053,835 | 285 | $310,221,675 | 123 | $30,140,798 | 7,673 | 1,329,831 | $51,101,608 |
| **Pennsylvania** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $176,912,274 | $176,912,530 | $33,997,528 | 87 | $176,912,530 | 87 | $176,912,530 | 80 | $173,014,133 | 3 | $1,014,124 | 1,527 | 264,668 | $10,817,123 |
| Fixed Guideway | $84,144,467 | $67,987,950 | $23,603,161 | 14 | $84,144,467 | 14 | $84,144,467 | 14 | $84,144,467 | 0 | $0 | 685 | 118,773 | $4,971,777 |
| Highway Infrastructure Investment | $1,026,439,012 | $1,025,533,199 | $264,456,922 | 335 | $1,025,533,199 | 334 | $1,025,533,199 | 329 | $1,025,533,199 | 94 | $133,857,555 | 9,317 | 1,614,904 | $47,920,085 |
| Transit Capital Assistance | $259,779,964 | $197,162,883 | $43,244,099 | 94 | $224,543,597 | 83 | $224,912,155 | 76 | $216,814,122 | 18 | $4,293,073 | 1,675 | 290,272 | $11,750,924 |
| Total | $1,547,265,717 | $1,467,596,562 | $365,301,710 | 530 | $1,511,133,793 | 518 | $1,511,502,351 | 499 | $1,499,526,221 | 115 | $139,164,752 | 13,204 | 2,288,617 | $75,459,909 |
| **Puerto Rico** | | | | | | | | | | | | | | |
| Highway Infrastructure Investment | $105,000,000 | $105,000,000 | $5,879,747 | 21 | $109,075,936 | 13 | $53,562,952 | 8 | $45,032,585 | 0 | $0 | 495 | 85,773 | $1,103,727 |
| Transit Capital Assistance | $54,988,979 | $38,056,467 | $1,790,789 | 4 | $31,425,314 | 3 | $22,666,449 | 3 | $1,678,843 | 0 | $0 | 41 | 7,028 | $122,111 |
| Total | $159,988,979 | $143,056,467 | $7,670,536 | 25 | $140,501,250 | 16 | $76,229,401 | 11 | $46,711,428 | 0 | $0 | 536 | 92,801 | $1,225,838 |
| **Rhode Island** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $26,314,596 | $26,314,600 | $2,542,300 | 16 | $26,314,600 | 16 | $26,314,600 | 9 | $19,449,010 | 2 | $404,755 | 82 | 14,179 | $593,371 |
| Fixed Guideway | $713,273 | $460,000 | $0 | 0 | $0 | 0 | $0 | 0 | $0 | 0 | $0 | 0 | 0 | $0 |
| Highway Infrastructure Investment | $137,095,725 | $137,445,725 | $50,617,887 | 50 | $119,018,530 | 45 | $83,936,970 | 45 | $83,936,970 | 20 | $34,135,770 | 2,063 | 357,518 | $10,036,438 |
| Transit Capital Assistance | $38,001,658 | $24,906,000 | $0 | 4 | $24,724,554 | 4 | $24,724,554 | 1 | $2,095,000 | 0 | $0 | 0 | 0 | $0 |
| Total | $202,125,252 | $189,126,325 | $53,160,187 | 70 | $170,057,684 | 65 | $134,976,124 | 55 | $105,480,980 | 22 | $34,540,525 | 2,145 | 371,697 | $10,629,809 |
| **South Carolina** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $40,148,163 | $40,148,200 | $6,265,772 | 22 | $40,148,200 | 22 | $40,148,200 | 22 | $40,148,200 | 0 | $0 | 98 | 16,937 | $52,845,244 |
| Highway Infrastructure Investment | $463,081,483 | $463,309,029 | $98,023,578 | 164 | $447,823,566 | 141 | $383,801,964 | 96 | $286,578,035 | 25 | $30,117,093 | 3,315 | 574,630 | $11,415,728 |
| Transit Capital Assistance | $28,504,202 | $22,406,444 | $5,247,658 | 21 | $12,371,595 | 21 | $12,587,765 | 22 | $13,070,541 | 0 | $0 | 68 | 11,717 | $273,464 |
| Total | $531,733,848 | $525,863,673 | $109,537,008 | 207 | $500,343,361 | 184 | $436,537,929 | 140 | $339,796,776 | 25 | $30,117,093 | 3,481 | 603,284 | $64,534,436 |
| **South Dakota** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $19,239,066 | $19,239,100 | $2,761,967 | 28 | $18,469,536 | 28 | $18,469,536 | 11 | $8,328,382 | 0 | $0 | 55 | 9,594 | $291,086 |
| Highway Infrastructure Investment | $183,027,359 | $186,877,359 | $76,742,750 | 49 | $178,875,448 | 46 | $174,211,906 | 32 | $152,125,177 | 7 | $27,769,228 | 2,042 | 354,027 | $7,578,214 |
| Transit Capital Assistance | $7,372,825 | $7,372,825 | $3,583,818 | 41 | $3,820,709 | 41 | $3,820,709 | 41 | $3,820,709 | 38 | $3,156,265 | 83 | 14,396 | $271,869 |
| Total | $209,639,250 | $213,489,284 | $83,088,535 | 118 | $201,165,693 | 115 | $196,502,151 | 84 | $164,274,268 | 45 | $30,925,493 | 2,180 | 378,017 | $8,141,169 |
| **Tennessee** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $56,930,445 | $54,653,184 | $680,039 | 24 | $54,653,184 | 24 | $54,653,184 | 20 | $44,128,184 | 0 | $0 | 0 | 0 | $0 |
| Fixed Guideway | $28,040 | $28,040 | $19,829 | 1 | $28,040 | 1 | $28,040 | 0 | $0 | 0 | $0 | 1 | 214 | $3,154 |
| Highway Infrastructure Investment | $572,201,043 | $572,201,043 | $235,762,139 | 295 | $517,571,330 | 256 | $503,562,043 | 246 | $494,625,488 | 136 | $142,420,707 | 9,940 | 1,722,974 | $31,883,600 |
| Transit Capital Assistance | $73,716,802 | $66,706,598 | $9,584,860 | 100 | $50,572,605 | 100 | $47,487,264 | 96 | $47,215,248 | 33 | $8,760,735 | 147 | 25,475 | $571,931 |
| Total | $702,876,330 | $693,588,865 | $246,046,887 | 420 | $622,825,159 | 381 | $605,730,531 | 362 | $586,018,920 | 169 | $151,181,442 | 10,088 | 1,748,663 | $32,458,685 |
| **Texas** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $179,122,284 | $179,121,900 | $3,379,112 | 21 | $171,957,024 | 21 | $171,957,024 | 21 | $171,957,024 | 0 | $0 | 685 | 118,700 | $3,048,824 |
| Fixed Guideway | $2,609,597 | $2,609,597 | $321,605 | 4 | $1,900,359 | 2 | $1,020,359 | 2 | $1,020,359 | 1 | $300,940 | 43 | 7,461 | $396,777 |
| Highway Infrastructure Investment | $2,250,015,146 | $2,239,521,146 | $400,308,272 | 556 | $1,963,920,175 | 510 | $1,573,799,020 | 448 | $1,261,922,372 | 125 | $121,173,477 | 16,493 | 2,858,788 | $62,758,715 |
| Transit Capital Assistance | $367,891,810 | $357,060,346 | $145,756,789 | 264 | $290,336,145 | 237 | $292,025,189 | 252 | $287,600,654 | 151 | $125,114,559 | 10,276 | 1,781,212 | $57,813,510 |
| Total | $2,799,638,837 | $2,778,312,989 | $549,765,778 | 845 | $2,428,113,703 | 770 | $2,038,801,592 | 723 | $1,722,500,409 | 277 | $246,588,976 | 27,497 | 4,766,161 | $124,017,826 |

*Consistent with the U.S. Department of Transportation's reporting requirements, this figure is based on direct, on-project full-time-equivalent (FTE) job months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).
For a Territory where no row lists the Clean Water State Revolving Fund program, the Territory did not report to the T&I Committee. For a Territory where no row lists the Transit Capital Assistance program, the Territory and/or transit grant recipient did not report to the T&I Committee.
For a State/Territory where no row lists the Fixed Guideway program, the State/Territory does not receive Fixed Guideway funds (except for Michigan and Puerto Rico, where the transit grant recipient did not report to the T&I Committee).

| | Recovery Act Funds Allocated | Recovery Act Funds Obligated | Recovery Act Funds Outlayed | Projects Put Out to Bid | Recovery Act Funds Associated with Projects Put Out to Bid | Projects Under Contract | Recovery Act Funds Associated with Projects Under Contract | Projects in Which Work Has Begun | Recovery Act Funds Associated with Projects in Which Work Has Begun | Completed Projects | Recovery Act Funds Associated with Completed Projects | Direct, On-Project Jobs Created or Sustained (Full-Time-Equivalent Job Months)* | Total Job Hours Created or Sustained | Total Payroll of Job Hours Created or Sustained |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Utah** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $20,650,014 | $19,823,904 | $612,526 | 12 | $19,823,904 | 12 | $19,823,904 | 11 | $17,823,904 | 0 | $0 | 10 | 1,673 | $296,950 |
| Highway Infrastructure Investment | $213,545,653 | $216,284,724 | unavailable | 111 | $213,545,653 | 103 | $205,402,414 | 100 | $203,579,791 | 63 | $88,168,832 | 3,817 | 661,641 | $15,869,878 |
| Transit Capital Assistance | $55,586,841 | $55,113,782 | $29,521,004 | 14 | $53,768,366 | 15 | $54,025,766 | 11 | $50,259,355 | 3 | $15,274,162 | 1,588 | 275,267 | $6,643,593 |
| Total | $289,782,508 | $291,222,410 | $30,133,530 | 137 | $287,137,923 | 130 | $279,252,084 | 122 | $271,663,050 | 66 | $103,442,994 | 5,415 | 938,581 | $22,810,421 |
| **Vermont** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $19,239,066 | $19,239,100 | $925,211 | 34 | $18,469,536 | 34 | $18,469,536 | 34 | $18,469,536 | 1 | $95,091 | 58 | 10,109 | $330,660 |
| Highway Infrastructure Investment | $125,791,291 | $125,791,291 | $61,038,150 | 65 | $123,935,673 | 62 | $120,814,956 | 49 | $110,539,513 | 20 | $45,552,728 | 2,031 | 352,094 | $8,499,374 |
| Transit Capital Assistance | $5,680,572 | $5,680,572 | $612,806 | 12 | $3,878,952 | 12 | $3,863,919 | 12 | $3,878,952 | 6 | $1,138,894 | 0 | 0 | $0 |
| Total | $150,710,929 | $150,710,963 | $62,576,167 | 111 | $146,284,161 | 108 | $143,148,411 | 95 | $132,888,001 | 27 | $46,786,713 | 2,089 | 362,203 | $8,830,034 |
| **Virginia** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $80,203,266 | $80,203,300 | $8,764,595 | 35 | $77,720,311 | 35 | $77,720,311 | 35 | $77,720,311 | 0 | $0 | 59 | 10,305 | $180,141 |
| Fixed Guideway | $437,148 | $437,148 | $437,148 | 1 | $437,148 | 1 | $437,148 | 1 | $437,148 | 1 | $437,148 | 24 | 4,108 | $195,894 |
| Highway Infrastructure Investment | $694,460,823 | $693,749,336 | $51,426,813 | 91 | $604,515,333 | 46 | $327,634,951 | 36 | $258,120,005 | 11 | $43,819,320 | 1,521 | 263,632 | $5,324,314 |
| Transit Capital Assistance | $68,357,834 | $65,303,000 | $19,868,695 | 60 | $41,105,340 | 49 | $39,587,133 | 36 | $33,960,728 | 3 | $1,554,479 | 1,234 | 213,956 | $4,725,913 |
| Total | $843,459,071 | $839,692,784 | $80,497,251 | 187 | $723,778,132 | 131 | $445,379,543 | 108 | $370,238,192 | 15 | $45,810,947 | 2,838 | 492,001 | $10,426,262 |
| **Virgin Islands** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $2,062,700 | $2,062,700 | $0 | 5 | $196,270 | 0 | $0 | 0 | $0 | 0 | $0 | 0 | 0 | $0 |
| Highway Infrastructure Investment | $18,000,000 | $10,729,584 | $450,561 | 3 | $10,729,584 | 3 | $10,729,584 | 3 | $10,729,584 | 0 | $0 | 27 | 4,734 | $67,419 |
| Transit Capital Assistance | $1,284,112 | $1,284,112 | $3,399 | 5 | $1,134,112 | 0 | $0 | 0 | $0 | 0 | $0 | 0 | 0 | $0 |
| Total | $21,346,812 | $14,076,396 | $453,960 | 13 | $12,059,966 | 3 | $10,729,584 | 3 | $10,729,584 | 0 | $0 | 27 | 4,734 | $67,419 |
| **Washington** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $68,152,095 | $68,151,900 | $6,415,360 | 17 | $65,425,824 | 17 | $65,425,824 | 5 | $45,804,627 | 0 | $0 | 204 | 35,431 | $3,585,892 |
| Fixed Guideway | $6,699,276 | $3,456,735 | $1,215,494 | 5 | $3,456,735 | 5 | $3,456,735 | 5 | $3,456,735 | 1 | $1,174,413 | 133 | 23,007 | $510,592 |
| Highway Infrastructure Investment | $491,817,337 | $491,589,894 | $171,517,846 | 204 | $491,589,894 | 184 | $436,136,731 | 164 | $386,709,964 | 91 | $96,827,961 | 9,459 | 1,639,541 | $62,682,811 |
| Transit Capital Assistance | $168,681,185 | $168,681,093 | $63,122,826 | 75 | $122,028,878 | 69 | $157,524,131 | 72 | $113,246,710 | 34 | $58,038,622 | 5,950 | 1,031,288 | $33,738,264 |
| Total | $735,349,893 | $731,879,622 | $242,271,526 | 301 | $682,501,331 | 275 | $662,543,421 | 246 | $549,218,036 | 126 | $156,040,996 | 15,746 | 2,729,267 | $100,517,559 |
| **West Virginia** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $61,092,108 | $61,092,100 | $15,140,411 | 39 | $61,092,100 | 39 | $61,092,100 | 39 | $61,092,100 | 0 | $0 | 951 | 164,846 | $7,710,098 |
| Fixed Guideway | $309,339 | $309,339 | $309,339 | 1 | $309,339 | 1 | $309,339 | 1 | $309,339 | 1 | $309,339 | 60 | 10,434 | $272,805 |
| Highway Infrastructure Investment | $210,852,204 | $210,852,204 | $78,602,626 | 121 | $199,495,666 | 114 | $188,955,566 | 105 | $182,953,666 | 52 | $57,340,931 | 1,991 | 345,068 | $9,421,189 |
| Transit Capital Assistance | $18,366,136 | $13,935,378 | $6,046,925 | 72 | $9,854,682 | 91 | $11,628,963 | 88 | $9,928,656 | 44 | $4,436,358 | 92 | 16,005 | $326,250 |
| Total | $290,619,787 | $286,189,021 | $100,099,301 | 233 | $270,751,787 | 245 | $261,985,968 | 233 | $254,283,761 | 97 | $62,086,628 | 3,094 | 536,343 | $17,730,342 |
| **Wisconsin** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $105,948,315 | $105,948,300 | $50,289,356 | 53 | $103,748,300 | 53 | $103,748,300 | 47 | $99,351,311 | 3 | $2,831,064 | 438 | 75,994 | $1,887,432 |
| Fixed Guideway | $243,232 | $243,232 | $0 | 1 | $243,232 | 1 | $243,232 | 0 | $0 | 0 | $0 | 0 | 0 | $0 |
| Highway Infrastructure Investment | $529,111,915 | $529,111,915 | $200,146,218 | 360 | $496,181,350 | 297 | $438,302,421 | 224 | $361,827,134 | 182 | $105,228,354 | 5,596 | 969,931 | $26,453,469 |
| Transit Capital Assistance | $79,249,652 | $43,174,890 | $14,406,828 | 64 | $51,518,360 | 63 | $49,616,026 | 41 | $36,187,459 | 22 | $4,478,554 | 121 | 20,905 | $500,651 |
| Total | $714,553,114 | $678,478,337 | $264,842,402 | 478 | $651,691,242 | 414 | $591,909,979 | 312 | $497,365,904 | 207 | $112,537,972 | 6,155 | 1,066,830 | $28,841,552 |
| **Wyoming** | | | | | | | | | | | | | | |
| Clean Water State Revolving Fund | $19,239,066 | $19,239,100 | $3,019,118 | 26 | $19,239,100 | 26 | $19,239,100 | 16 | $14,803,798 | 0 | $0 | 220 | 38,129 | $1,936,205 |
| Highway Infrastructure Investment | $157,616,058 | $157,616,058 | $85,626,739 | 65 | $157,616,058 | 65 | $157,616,058 | 64 | $156,316,058 | 18 | $36,484,334 | 2,858 | 495,420 | $10,932,407 |
| Transit Capital Assistance | $9,300,399 | $8,411,445 | $2,731,050 | 20 | $7,558,295 | 20 | $7,558,295 | 19 | $4,778,253 | 8 | $941,734 | 80 | 13,792 | $448,548 |
| Total | $186,155,523 | $185,266,603 | $91,376,907 | 111 | $184,413,453 | 111 | $184,413,453 | 99 | $175,898,109 | 26 | $37,426,068 | 3,158 | 547,341 | $13,317,160 |

*Consistent with the U.S. Department of Transportation's reporting requirements, this figure is based on direct, on-project full-time-equivalent (FTE) job months. FTE job months are calculated by dividing cumulative job hours created or sustained by 173 hours (40 hours per week times 52 weeks divided by 12 months = 173 hours).

For a Territory where no row lists the Clean Water State Revolving Fund program, the Territory did not report to the T&I Committee. For a Territory where no row lists the Transit Capital Assistance program, the Territory and/or transit grant recipient did not report to the T&I Committee.

For a State/Territory where no row lists the Fixed Guideway program, the State/Territory does not receive Fixed Guideway funds (except for Michigan and Puerto Rico, where the transit grant recipients did not report to the T&I Committee).

T&I Committee Transparency and Accountability Information by State under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) Submissions Received by T&I Committee (Data Reported as of February 28, 2010)

Percentage of Allocated Funds Associated with Project Stages

Highways and Bridges

| | Out to Bid | Under Contract | Underway | Average* | Average Rank |
|---|---|---|---|---|---|
| Maine | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Pennsylvania | 99.9% | 99.9% | 99.9% | 99.9% | 2 |
| Wyoming | 100.0% | 100.0% | 99.2% | 99.6% | 3 |
| Iowa | 98.5% | 98.5% | 96.2% | 97.3% | 4 |
| Utah | 100.0% | 96.2% | 95.3% | 96.7% | 5 |
| New Hampshire | 100.0% | 93.3% | 91.1% | 93.9% | 6 |
| Vermont | 98.5% | 96.0% | 87.9% | 92.6% | 7 |
| Kentucky | 97.0% | 92.4% | 88.3% | 91.5% | 8 |
| Indiana | 92.4% | 92.4% | 88.9% | 90.7% | 9 |
| South Dakota | 97.7% | 95.2% | 83.1% | 89.8% | 10 |
| Oklahoma | 92.8% | 90.4% | 87.5% | 89.6% | 11 |
| West Virginia | 94.6% | 89.6% | 86.8% | 89.4% | 12 |
| Colorado | 100.0% | 89.0% | 83.4% | 89.0% | 13 |
| District of Columbia | 100.0% | 85.3% | 83.5% | 88.1% | 14 |
| Tennessee | 90.5% | 88.0% | 86.5% | 87.8% | 15 |
| Montana | 99.8% | 92.3% | 78.0% | 87.0% | 16 |
| Washington | 100.0% | 88.7% | 78.7% | 86.5% | 17 |
| Mississippi | 93.2% | 92.1% | 77.6% | 85.1% | 18 |
| Maryland | 95.5% | 83.2% | 80.1% | 84.7% | 19 |
| Georgia | 90.6% | 88.3% | 76.1% | 82.8% | 20 |
| Minnesota | 98.8% | 84.2% | 74.1% | 82.8% | 21 |
| Nebraska | 98.4% | 79.6% | 73.6% | 81.3% | 22 |
| New York | 97.0% | 77.2% | 71.6% | 79.4% | 23 |
| Alabama | 80.5% | 79.0% | 77.8% | 78.8% | 24 |
| Wisconsin | 93.8% | 82.8% | 68.4% | 78.3% | 25 |
| North Carolina | 86.5% | 83.9% | 70.4% | 77.8% | 26 |
| Illinois | 95.5% | 83.4% | 66.2% | 77.8% | 27 |
| Louisiana | 80.0% | 78.7% | 76.1% | 77.7% | 28 |
| Kansas | 100.0% | 78.6% | 65.5% | 77.4% | 29 |
| Idaho | 99.9% | 69.8% | 69.8% | 77.3% | 30 |
| Arizona | 79.2% | 76.4% | 76.4% | 77.1% | 31 |
| South Carolina | 96.7% | 82.9% | 61.9% | 75.8% | 32 |
| New Mexico | 90.8% | 72.8% | 69.8% | 75.8% | 32 |
| Missouri | 95.4% | 79.0% | 64.3% | 75.7% | 34 |
| Connecticut | 86.2% | 73.2% | 70.3% | 75.0% | 35 |
| Michigan | 89.5% | 87.1% | 59.8% | 74.0% | 36 |
| Oregon | 74.6% | 74.6% | 71.3% | 72.9% | 37 |
| Massachusetts | 89.0% | 65.2% | 65.2% | 71.2% | 38 |
| Florida | 85.7% | 71.3% | 62.8% | 70.6% | 39 |
| New Jersey | 82.0% | 68.3% | 64.7% | 69.9% | 40 |
| Arkansas | 85.3% | 63.7% | 63.7% | 69.1% | 41 |
| Alaska | 95.0% | 67.9% | 56.8% | 69.1% | 42 |
| North Dakota | 96.7% | 79.1% | 49.9% | 68.9% | 43 |
| Rhode Island | 86.8% | 61.2% | 61.2% | 67.6% | 44 |
| Texas | 87.4% | 70.0% | 56.1% | 67.4% | 45 |
| Ohio | 98.2% | 55.9% | 55.9% | 66.4% | 46 |
| California | 84.2% | 59.8% | 59.8% | 65.9% | 47 |
| Hawaii | 78.2% | 75.8% | 37.7% | 57.4% | 48 |
| Nevada | 92.7% | 48.2% | 42.9% | 56.7% | 49 |
| Virginia | 87.2% | 47.3% | 37.2% | 52.2% | 50 |
| Delaware | 53.7% | 53.3% | 43.5% | 48.5% | 51 |
| National | 90.8% | 77.3% | 69.6% | 76.9% | |

* To calculate averages, the Committee gave one-fourth weight to the percentage of allocated funds associated with projects out to bid, one-fourth weight to the percentage of allocated funds associated with projects under contract, and one-half weight to the percentage of allocated funds associated with projects underway.

**T&I Committee Transparency and Accountability Information by State under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) Submissions Received by T&I Committee (Data Reported as of February 28, 2010)**

**Percentage of Allocated Funds Associated with Project Stages**

**Clean Water State Revolving Fund**

| | Out to Bid | Under Contract | Underway | Average* | Average Rank |
|---|---|---|---|---|---|
| Alabama | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Alaska | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Arizona | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Colorado | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Florida | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Georgia | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Indiana | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Maryland | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Massachusetts | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Michigan | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Minnesota | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Mississippi | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Missouri | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Montana | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| New Hampshire | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| South Carolina | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Texas | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Vermont | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| Virginia | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| West Virginia | 100.0% | 100.0% | 100.0% | 100.0% | 1 |
| California | 100.0% | 100.0% | 98.3% | 99.1% | 21 |
| Pennsylvania | 100.0% | 100.0% | 97.8% | 98.9% | 22 |
| Maine | 100.0% | 100.0% | 95.9% | 98.0% | 23 |
| Wisconsin | 100.0% | 100.0% | 95.8% | 97.9% | 24 |
| North Carolina | 100.0% | 100.0% | 93.2% | 96.6% | 25 |
| Oklahoma | 100.0% | 100.0% | 93.1% | 96.6% | 26 |
| North Dakota | 100.0% | 100.0% | 92.9% | 96.5% | 27 |
| Utah | 100.0% | 100.0% | 89.9% | 95.0% | 28 |
| Illinois | 100.0% | 100.0% | 89.5% | 94.8% | 29 |
| Kansas | 100.0% | 100.0% | 87.8% | 93.9% | 30 |
| Kentucky | 100.0% | 100.0% | 85.7% | 92.8% | 31 |
| Nebraska | 100.0% | 100.0% | 85.4% | 92.7% | 32 |
| Hawaii | 100.0% | 100.0% | 83.0% | 91.5% | 33 |
| Tennessee | 100.0% | 100.0% | 80.7% | 90.4% | 34 |
| Iowa | 100.0% | 100.0% | 78.4% | 89.2% | 35 |
| Ohio | 100.0% | 100.0% | 77.6% | 88.8% | 36 |
| Wyoming | 100.0% | 100.0% | 76.9% | 88.5% | 37 |
| Rhode Island | 100.0% | 100.0% | 73.9% | 87.0% | 38 |
| Oregon | 100.0% | 100.0% | 71.3% | 85.7% | 39 |
| New York | 100.0% | 100.0% | 70.6% | 85.3% | 40 |
| Washington | 100.0% | 100.0% | 70.0% | 85.0% | 41 |
| New Jersey | 100.0% | 100.0% | 64.9% | 82.5% | 42 |
| Connecticut | 100.0% | 100.0% | 62.2% | 81.1% | 43 |
| Idaho | 100.0% | 100.0% | 55.8% | 77.9% | 44 |
| District of Columbia | 100.0% | 100.0% | 49.0% | 74.5% | 45 |
| South Dakota | 100.0% | 100.0% | 45.1% | 72.5% | 46 |
| Arkansas | 100.0% | 100.0% | 37.2% | 68.6% | 47 |
| New Mexico | 100.0% | 100.0% | 35.8% | 67.9% | 48 |
| Delaware | 100.0% | 100.0% | 35.6% | 67.8% | 49 |
| Louisiana | 100.0% | 100.0% | 24.3% | 62.2% | 50 |
| Nevada | 100.0% | 100.0% | 5.2% | 52.6% | 51 |
| National | 100.0% | 100.0% | 86.9% | 93.4% | |

* To calculate averages, the Committee gave one-fourth weight to the percentage of allocated funds associated with projects out to bid, one-fourth weight to the percentage of allocated funds associated with projects under contract, and one-half weight to the percentage of allocated funds associated with projects underway.

Committee on Transportation and Infrastructure
the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act)
MILES IMPROVED by Recovery Act Highway and Bridge Funds

| State | New Construction | Pavement Improvement | Pavement Widening | Safety Traffic Management | Transportation Enhancements | Other | Total |
|---|---|---|---|---|---|---|---|
| Alabama | 5 | 979 | 15 | 159 | 8 | 29 | 1,194 |
| Alaska | 84 | 132 | 1 | | 15 | | 231 |
| Arizona | 13 | 488 | 82 | 5 | 7 | 189 | 783 |
| Arkansas | 30 | 178 | 44 | | | 1 | 254 |
| California | 4 | 1,940 | 29 | 216 | 215 | 73 | 2,476 |
| Colorado | 5 | 260 | 17 | 75 | 17 | 3 | 376 |
| Connecticut | | 105 | | | 1 | | 106 |
| Delaware | 3 | 36 | | 109 | 2 | 5 | 153 |
| District of Columbia | | 31 | | 14 | 28 | | 74 |
| Florida | 8 | 555 | 69 | 145 | 100 | | 878 |
| Georgia | 21 | 1,130 | 35 | 121 | 47 | 4 | 1,357 |
| Hawaii | | 22 | 1 | | | 1 | 23 |
| Idaho | 5 | 158 | 18 | | 1 | 20 | 203 |
| Illinois | 13 | 1,712 | 3 | 27 | 27 | 63 | 1,845 |
| Indiana | 9 | 2,444 | 22 | 199 | 62 | 32 | 2,769 |
| Iowa | 7 | 643 | | 1 | 54 | 6 | 711 |
| Kansas | 3 | 106 | 26 | | 3 | 7 | 146 |
| Kentucky | 6 | 140 | 20 | 1 | | | 167 |
| Louisiana | 12 | 62 | 5 | | 6 | | 85 |
| Maine | | 212 | | | | | 213 |
| Maryland | | 83 | 2 | 43 | 30 | | 159 |
| Massachusetts | | 211 | | 101 | 2 | | 315 |
| Michigan | | 1,692 | 44 | 265 | 119 | 92 | 2,213 |
| Minnesota | 7 | 585 | 4 | 503 | 29 | 4 | 1,131 |
| Mississippi | 4 | 313 | | 1 | 4 | | 322 |
| Missouri | 38 | 1,245 | 58 | 5 | 53 | 16 | 1,415 |
| Montana | | 224 | 6 | 1 | | | 231 |
| Nebraska | | 276 | 2 | | | | 279 |
| Nevada | | 178 | | | 6 | 33 | 217 |
| New Hampshire | 3 | 523 | 4 | | 1 | | 531 |
| New Jersey | | 79 | | 8 | 17 | 42 | 146 |
| New Mexico | 27 | 231 | 34 | | 31 | | 323 |
| New York | | 858 | | 39 | 5 | 50 | 952 |
| North Carolina | | 81 | | | | | 81 |
| North Dakota | | 900 | | | 5 | 9 | 915 |
| Ohio | 13 | 899 | 13 | 29 | 15 | 1 | 969 |
| Oklahoma | | 448 | 30 | 1 | 8 | | 488 |
| Oregon | | 427 | 11 | 179 | 3 | 69 | 690 |
| Pennsylvania | | 910 | 3 | 290 | 376 | 5 | 1,584 |
| Rhode Island | | 109 | | 48 | 3 | 3 | 164 |
| South Carolina | 4 | 271 | 30 | 197 | 13 | 1 | 516 |
| South Dakota | | 529 | 1 | | | | 531 |
| Tennessee | 20 | 792 | 40 | | 12 | 16 | 880 |
| Texas | 18 | 1,546 | 111 | 16 | 16 | 21 | 1,728 |
| Utah | 9 | 181 | 11 | 5 | 4 | 4 | 213 |
| Vermont | | 235 | 9 | | | | 244 |
| Virginia | 12 | 247 | 12 | 1 | | 20 | 292 |
| Washington | 4 | 562 | 10 | 773 | 28 | 1 | 1,378 |
| West Virginia | 1 | 140 | 6 | 6 | | | 153 |
| Wisconsin | 1 | 417 | 36 | | | 31 | 486 |
| Wyoming | | 753 | 4 | 14 | 4 | 34 | 807 |
| American Samoa | | | | | | | - |
| Guam | | | | | | | - |
| Northern Marianas | | | | | | 2 | 2 |
| Puerto Rico | | 33 | 3 | | | | 36 |
| Virgin Islands | 5 | | | | | | 5 |
| National | 391 | 27,309 | 872 | 3,598 | 1,378 | 889 | 34,438 |

This table was prepared by the Committee on Transportation and Infrastructure Majority staff based on information provided by the U.S. Department of Transportation. Data is based on obligations as of March 23, 2010.

Committee on Transportation and Infrastructure
the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act)
BRIDGES IMPROVED by Recovery Act Highway and Bridge Funds

| State | Bridge Improvement | Bridge Replacement | New Bridge Construction | Total |
|---|---|---|---|---|
| Alabama | 1 | 5 | | 6 |
| Alaska | 2 | | | 2 |
| Arizona | 6 | 3 | 2 | 11 |
| Arkansas | 1 | 4 | 2 | 7 |
| California | 6 | 4 | | 10 |
| Colorado | | 4 | 1 | 5 |
| Connecticut | 11 | 5 | | 16 |
| Delaware | 3 | | | 3 |
| District of Columbia | 2 | | | 2 |
| Florida | 18 | 2 | 2 | 22 |
| Georgia | | 28 | | 28 |
| Hawaii | 4 | 1 | | 5 |
| Idaho | 7 | | 2 | 9 |
| Illinois | 47 | 28 | | 75 |
| Indiana | 89 | 20 | 16 | 125 |
| Iowa | 5 | 20 | 2 | 27 |
| Kansas | 2 | 15 | 1 | 18 |
| Kentucky | 1 | | | 1 |
| Louisiana | | 12 | | 12 |
| Maine | 5 | 3 | | 8 |
| Maryland | 10 | 2 | | 12 |
| Massachusetts | 3 | 2 | | 5 |
| Michigan | 25 | 13 | | 38 |
| Minnesota | 5 | 29 | 4 | 38 |
| Mississippi | 6 | 14 | | 20 |
| Missouri | 9 | 8 | 2 | 19 |
| Montana | 3 | 4 | | 7 |
| Nebraska | 7 | 19 | | 26 |
| Nevada | | | 1 | 1 |
| New Hampshire | | | | - |
| New Jersey | 9 | 7 | 1 | 17 |
| New Mexico | 3 | 4 | 1 | 8 |
| New York | 54 | 50 | | 104 |
| North Carolina | 18 | 26 | 1 | 45 |
| North Dakota | 1 | 5 | | 6 |
| Ohio | 29 | 30 | 2 | 61 |
| Oklahoma | 6 | 56 | 4 | 66 |
| Oregon | 1 | | | 1 |
| Pennsylvania | 80 | 33 | | 113 |
| Rhode Island | 6 | 1 | | 7 |
| South Carolina | | 8 | | 8 |
| South Dakota | 1 | | | 1 |
| Tennessee | | 54 | 1 | 55 |
| Texas | | 23 | 12 | 35 |
| Utah | 4 | 3 | | 7 |
| Vermont | 11 | 3 | | 14 |
| Virginia | 1 | 1 | 2 | 4 |
| Washington | 2 | 7 | 3 | 12 |
| West Virginia | 26 | 26 | | 52 |
| Wisconsin | 20 | 62 | 1 | 83 |
| Wyoming | 3 | | | 3 |
| American Samoa | | | | - |
| Guam | | | | - |
| Northern Marianas | | | | - |
| Puerto Rico | 1 | | 1 | 2 |
| Virgin Islands | | | | - |
| National | 554 | 644 | 64 | 1,262 |

This table was prepared by the Committee on Transportation and Infrastructure Majority staff based on information provided by the U.S. Department of Transportation. Data is based on obligations as of March 23, 2010.

**T&I Committee Transparency and Accountability Information by State under the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act) Submissions Received by T&I Committee (Data Reported as of February 28, 2010)**

COMPLETED PROJECTS

Highways and Transit Funds

| State | Highway Projects Completed | Funds Associated with Highway Projects Completed | Transit* Projects Completed | Funds Associated with Transit Projects Completed | Total Projects Completed | Total Funds Associated with Completed Projects |
|---|---|---|---|---|---|---|
| Alabama | 23 | $26,809,016 | 4 | $326,999 | 27 | $27,136,015 |
| Alaska | 2 | $8,673,230 | 4 | $3,130,564 | 6 | $11,803,794 |
| Arizona | 29 | $60,083,745 | 7 | $4,943,275 | 36 | $65,027,020 |
| Arkansas | 54 | $46,224,623 | 7 | $3,665,755 | 61 | $49,890,378 |
| California | 240 | $267,235,541 | 105 | $71,945,927 | 345 | $339,181,468 |
| Colorado | 18 | $33,748,474 | 8 | $13,250,315 | 26 | $46,998,789 |
| Connecticut | 10 | $13,228,520 | | | 10 | $13,228,520 |
| Delaware | 3 | $807,194 | | | 3 | $807,194 |
| District of Columbia | 1 | $1,000,000 | 1 | $868,650 | 2 | $1,868,650 |
| Florida | 78 | $20,100,796 | 89 | $10,688,974 | 167 | $30,789,770 |
| Georgia | 3 | $2,370,897 | 3 | $133,285 | 6 | $2,504,182 |
| Hawaii | | | | | | - |
| Idaho | | | 15 | $339,013 | 15 | $339,013 |
| Illinois | 207 | $253,012,079 | 13 | $135,221,499 | 220 | $388,233,578 |
| Indiana | 425 | $190,368,228 | 25 | $14,475,119 | 450 | $204,843,347 |
| Iowa | 62 | $61,234,616 | 11 | $913,068 | 73 | $62,147,684 |
| Kansas | 13 | $3,647,222 | 10 | $2,086,599 | 23 | $5,733,821 |
| Kentucky | 3 | $13,790,659 | 54 | $11,196,952 | 57 | $24,987,611 |
| Louisiana | 1 | $675,463 | 62 | $12,187,746 | 63 | $12,863,209 |
| Maine | 42 | $57,544,408 | | | 42 | $57,544,408 |
| Maryland | 14 | $29,236,356 | 16 | $16,178,326 | 30 | $45,414,682 |
| Massachusetts | 1 | $2,406,702 | 42 | $11,342,378 | 43 | $13,749,080 |
| Michigan | 225 | $133,109,741 | 41 | $13,515,583 | 266 | $146,625,324 |
| Minnesota | 73 | $138,745,472 | 62 | $26,550,910 | 135 | $165,296,382 |
| Mississippi | 27 | $66,490,120 | 4 | $18,751 | 31 | $66,508,871 |
| Missouri | 117 | $113,543,153 | 23 | $7,396,198 | 140 | $120,939,351 |
| Montana | 27 | $17,625,816 | 2 | $717,800 | 29 | $18,343,616 |
| Nebraska | 12 | $28,008,889 | 10 | $431,304 | 22 | $28,440,193 |
| Nevada | 2 | $4,475,244 | 4 | $855,245 | 6 | $5,330,489 |
| New Hampshire | 9 | $25,218,324 | 34 | $3,462,433 | 43 | $28,680,757 |
| New Jersey | 3 | $4,407,981 | 1 | $11,000,000 | 4 | $15,407,981 |
| New Mexico | | | | | | - |
| New York | 80 | $73,059,759 | 24 | $7,980,261 | 104 | $81,040,020 |
| North Carolina | 30 | $35,935,096 | 13 | $3,749,171 | 43 | $39,684,267 |
| North Dakota | 53 | $47,762,614 | 4 | $347,026 | 57 | $48,109,640 |
| Ohio | 68 | $49,971,787 | 111 | $31,598,904 | 179 | $81,570,691 |
| Oklahoma | 71 | $90,216,069 | 1 | $4,940 | 72 | $90,221,009 |
| Oregon | 103 | $10,977,923 | 19 | $15,162,875 | 122 | $26,140,798 |
| Pennsylvania | 94 | $133,857,555 | 18 | $4,293,073 | 112 | $138,150,628 |
| Rhode Island | 20 | $34,135,770 | | | 20 | $34,135,770 |
| South Carolina | 25 | $30,117,093 | | | 25 | $30,117,093 |
| South Dakota | 7 | $27,769,228 | 38 | $3,156,265 | 45 | $30,925,493 |
| Tennessee | 136 | $142,420,707 | 33 | $8,760,735 | 169 | $151,181,442 |
| Texas | 125 | $121,173,477 | 152 | $125,415,499 | 277 | $246,588,976 |
| Utah | 63 | $88,168,832 | 3 | $15,274,162 | 66 | $103,442,994 |
| Vermont | 20 | $45,552,728 | 6 | $1,138,894 | 26 | $46,691,622 |
| Virginia | 11 | $43,819,320 | 4 | $1,991,627 | 15 | $45,810,947 |
| Washington | 91 | $96,827,961 | 35 | $59,213,035 | 126 | $156,040,996 |
| West Virginia | 52 | $57,340,931 | 45 | $4,745,697 | 97 | $62,086,628 |
| Wisconsin | 182 | $105,228,354 | 22 | $4,478,554 | 204 | $109,706,908 |
| Wyoming | 18 | $36,484,334 | 8 | $941,734 | 26 | $37,426,068 |
| National | 2,973 | $2,894,642,048 | 1,193 | $665,095,120 | 4,166 | $3,559,737,168 |

*Transit includes the Transit Capital Assistance and Fixed Guideway formula programs.

# RECOVERY ACT: PROGRESS REPORT FOR HIGHWAY, TRANSIT, AND WASTEWATER INFRASTRUCTURE FORMULA INVESTMENTS

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**Friday, March 26, 2010**

HOUSE OF REPRESENTATIVES,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
WASHINGTON, DC.

The Committee met, pursuant to call, at 11:35 a.m., in Room 2167, Rayburn House Office Building, Hon. James Oberstar [chairman of the Committee] presiding.

Mr. OBERSTAR. The Committee on Transportation and Infrastructure will come to order.

Apologies from the Chair for the second delay. We were delayed to 11 o'clock because it was clear the House was going to remain in session last night. But then I was delayed further last night, way into the late hours, close to midnight, trying to resolve matters with the ″other body,″ as we affectionately call our friends across the way; and even into this morning, problems still were being worked out.

And so I was unnecessarily delayed by the other body, but necessarily had to delay the beginning of this hearing, the 16th in our series of accountability hearings on performance of State DOTs, metropolitan planning organizations, transit agencies, the State Revolving Loan Fund authorities, and the other Federal agencies who have direct spending responsibility under the Stimulus Act that Congress passed a year ago.

It seems like a much longer time than a year, but in that period of time, as we will hear in the course of today's session, we will be able to account for 1.2 plus million jobs in the programs under the jurisdiction of this Committee, an extraordinary measure of accomplishment. And on direct jobs, directly on job site from highway, transit and wastewater, not counting all the others in the Federal Government agencies, payroll expenditures of $1.8 billion; Federal taxes withheld from those on job sites, $376 million; and unemployment compensation checks avoided, $296 million. That is net overall extraordinarily positive contribution to our gross domestic product.

In addition, the State DOTs can account for 24,000 lane miles of highway improved, built, widened, renewed, and 1,200 bridges either replaced, restored, or reconstructed. Now 24,000 lane miles of highway is equal to half of the entire interstate highway system, which took us 50 years to build, and this amount of highway improvement has been done in a year.Before I go further and recognize our witnesses, I would like to yield to the gentleman from

Iowa, Mr. Boswell, who has a plane to catch and who had planned to leave town according to our 10 o'clock schedule, but he has delayed his departure. He has witnesses in this morning's hearing.

Mr. Boswell, thank you for your wonderful support of our stimulus legislation and all the programs of the Committee.

Mr. BOSWELL. Thank you, Mr. Chairman. And again, we all thank you for your leadership and your vision on trying to teach everybody of this complex of transportation and infrastructure jobs, good-paying jobs, and they are not exportable. They are jobs right here that we need to do, and things we need not do anything. And you have certainly been a leader in this. We can't tell you how much we appreciate it. And we are having discussions about the recovery going on and the money to be available to our States, and your concept of report back and who is ready to go and so on. I think I assured you at that time that my Iowa Department of Transportation would be standing and ready to go. And I am very pleased that I can report that has been true. They have been right up near the top in their responsiveness.

I am very privileged to have someone I have known for a long, long time, who is very much an expert in transportation, and that is our Director of the Iowa Department of Transportation, Ms. Richardson. So I welcome her today and thank her because I know that not only she responded to the direction, she is ready for the next round. She is ready.

And then sitting next to her is Mr. Miller, Brad Miller, a young fellow who came to the capital city a few years ago and people said, I don't know if he can can fill the shoes of the guy that went ahead of him, but he has, and he has filled them very well. He is the general manager of the Des Moines Area Regional Transit Authority, and he is just doing a bang-up job innovating young people to use public transportation and making it reliable, dependable, and coming up with a concept to have a location where people can get in and out easily and so on. I am sure he will share that with you today.

I am just very appreciative that people in my State and my capital city are responding, and responding in a very expert way to the very guidelines that you established. I look across the table and I look at the background, we have a lot of people here that have a lot of things to share with us. I appreciate it.

I would just comment about Ms. Fisk, who is a truck driver. There are a few of us in the Congress that have an unrestricted CDL, so I just share that with you, that I know something about—a little bit. I am glad to have you here, the one who has the hands on the wheel and using this road system of ours that keeps our commerce going, so I appreciate it very much.

Mr. Chairman, I yield back and thank you for this. I can stay a few minutes, but I really appreciate the attention and the leadership that you have given to this extremely important matter to our country, across the whole country, and especially for me and our State of Iowa. Thank you very much, Mr. Chairman.

Mr. OBERSTAR. Thank you very much, Mr. Boswell.

Mr. OBERSTAR. At this time, the Chair will yield to the distinguished chair of our Subcommittee on Economic Development and FEMA and a host of other issues, who has been very diligent in holding hearings on her Subcommittee's portion of the stimulus, Ms. Norton.

Ms. NORTON. Thank you very much, Mr. Chairman.

I must say, Mr. Chairman, you are taking accountability to a new level. This Chairman is sitting in accountability hearings on the stimulus when most Members of Congress have long since gone. Having passed an historic health care bill, they thought they were entitled. Well, Chairman Oberstar is entitled to, but in keeping with the way he always approaches his work, here we sit in an accountability hearing, and one that I think is important because occasionally you hear people say, Well, if you have gotten stimulus funds, I am not sure I myself have personally felt it. Well, that certainly is true.

Chairman Oberstar and many of us would have preferred to see a much larger stimulus package, but what these accountability hearings have done, Mr. Chairman, is to show that the money has hit the ground. And it has hit the ground in no small part because of the new accountability—the accountability the likes of which the Congress has never seen.

These pieces of paper, which every Member should carry home with her, tracks not only the Subcommittee chairs—because this Chairman has held us accountable, I have had five tracking hearings myself—but in turn, the agencies are being held accountable, the States are being held accountable. And that is difficult because the agencies are pass-throughs for the States, and yet they are being held accountable.

And if you don't believe the States are being held accountable, every Member is going to be looking at this sheet to see where her State fits. And I must say, Mr. Chairman, I am pleased to see that the District of Columbia on highways and bridges has 85.3 percent under contract. And in the United States, among the 50 States, the District of Columbia ranks 14th.

I have said to my State, Don't embarrass me here; we worked too hard to get these funds. I don't see how there could be any controversy about these funds because the Chairman has put it in black and white almost every week to help us track our own jurisdictions and the agencies over which we have oversight.

So, Mr. Chairman, I thank you for the accountability that you are showing through these hearings, and if I may say so, Mr. Chairman, for showing up also at the hearings of Subcommittees when we are having hearings to hold the agencies under our jurisdiction accountable.

My own agencies, EDA, GSA, the Smithsonian, a number of Federal agencies, precisely because they know not only am I holding them accountable, but the full Chairman is looking at them just as hard, have proceeded in ways that I have found satisfactory. And if you continue as you have done, not only will those who come to these hearings know that this money has been put to good use. As the press focuses on how you are putting facts and figures before the public, it will be impossible to underestimate what the stimulus funding that came through our Committee has done for the American people.

I thank you again, Mr. Chairman.

Mr. OBERSTAR. Again, I repeat my appreciation and admiration for your persistence in holding the accountability hearings which have served to spur on the Federal agencies to stay on course, stay on track, or be shown to the public for failing to do their job. And the first series of hearings, the first 3 months of hearings showed great inconsistencies among the States and Federal agencies. But after the information was made public and reports to Members and calls into State and Federal agencies, they all got on board and they moved their projects out smartly.

Mr. Cummings.

Mr. CUMMINGS. Thank you very much, Mr. Chairman. I thank you for convening today's hearing to enable us to receive an update on the implementation of highway, transit, and wastewater infrastructure products under the American Recovery and Reinvestment Act. Under your leadership, Mr. Chairman, this Committee has kept meticulous records of how Recovery Act funding has been expended. I applaud the diligence of our staff in compiling the data that is available to us today.

You have ensured that we have remained focused on the goal of getting this money out the door and flowing into the economy as quickly as possible, while also ensuring that funding recipients are fully accountable for every single dollar they expend.

Today's report shows that more than $48 billion of the more than $64 billion provided for transportation and infrastructure projects under the Recovery Act has now been obligated to more than 18,500 projects. Further, of the $38 billion provided for the highway, transit, and wastewater infrastructure projects that are the focus of today's hearing, 88 percent of the available funding has been put out to bid. Work has begun on more than 12,500 projects, totaling $26.7 billion. These expenditures have created or sustained nearly 350,000 jobs. These are truly stunning achievements in the work that is underway to producing a new and rehabilitated infrastructure that will ensure our future mobility.

Mr. Chairman, many of us forget that when we enacted the stimulus, we faced an economic crisis of unprecedented proportions. We had just had to provide $700 billion in Federal funding to keep our entire financial system from melting down. We were uncertain of whether even the extraordinary sum would be adequate.

Against that backdrop, Mr. Chairman, while the current unemployment rate of 9.7 percent is unacceptably high—and I note that unemployment among minorities is still higher, with unemployment among African Americans hovering at some 15.8 percent—I am certain it would have been far higher had we not made the critical decision to enact the Recovery Act.

Finally, the fact that we now need reminding of the severity of the crisis we face when we approve these expenditures, is perhaps the best possible testament to the effectiveness of the Recovery Act. I again commend you, Chairman, for holding the hearing today, and I look forward to the the testimony of our witnesses.

With that I yield back.

Mr. OBERSTAR. Thank you very much for your kind words, but also again for the splendid cooperation you and Ms. Norton and all the Members of our Committee have extended in ensuring that the work of the Committee on stimulus was carried out by the responsible agencies, and each of you doing your respective oversight work, and Mr. Cummings as chair of the Coast Guard and Maritime Subcommittee.

At this time I would ask, without objection, that the statement of Mr. Mica, the senior Republican on our Committee, be included in the record. He had to be out of town and gives his concurrence in proceeding with the hearing without his presence, but his statement will be in the record in full.

Mr. OBERSTAR. Today's hearing will focus on the work of the Federal Highway Administration's transit, fixed guideway, wastewater treatment programs. But there is also Amtrak, which has started work at 141 projects totaling $1.1 billion, which is 83 percent of Amtrak's funding. Those investments will result in the replacement of 80,000 concrete ties, restoration to service of 60 M Fleet passenger cars, 21 Superliners, 15 locomotives, and the improvement of 270 passenger stations.

FAA has completed work or has work underway on 94 percent of its $1.2 billion, 663 projects. Those projects went out so fast because of the unique contracting authority of aviation agencies, airport authorities who can advertise award bids, but withhold work on a project until the funding is available. We were able to get further ahead on the work than the surface transportation agencies. So those aviation investments have produced 155 runway improvement projects, 139 airports that accommodate 11 million takeoffs and landings a year, 82 taxiway improvements at 78 airports, that accommodate 8 million operations.

The EPA has awarded $582 million for 57 Superfund construction projects for design projects, and work is underway or completed on 45 of those, at a total of $502 million.

The Corps of Engineers has committed $3.1 billion for 780 projects, navigation repair or improvement to 284 locks in commercial ports, 1,124 dam and levee safety projects, maintenance and upgrading of 460 Corps of Engineers recreation facilities, lakes, and Corps-constructed dams that result in recreation areas. Those investments are extremely important to the navigation and movement of people and goods on our inland waterways.

And the General Services Administration, prodded by Ms. Norton's hearings, has awarded contracts and begun work on 383 projects, $2.4 billion, 43 percent of the funding.

The Economic Development Administration has awarded 68 grants for $147 million.

Coast Guard, alterations of bridges; three projects are underway, totaling $81 million.

All of these have resulted in jobs, people working, getting their lives restored, such as that of Joyce Fisk, whom I had the unexpected pleasure of meeting last August on the Interstate 35 project of Knife River Construction. They were doing 28 lane miles of highway between North Branch and Rush City. And it was a day like today, a gloomy, overcast, rainy, drizzly, dreary day; but the clouds parted and the sun came out with Ms. Fisk's smile as she jumped down from her truck on the job site and threw her arms around me and said, Thank you, I am working. Joyce Fisk represents the human face of recovery, of stimulus.

**STATEMENTS OF JOYCE FISK, TRUCK DRIVER, KNIFE RIVER CORPORATION; FLORENTINO ESPARZA LUNA, CARPENTER, CHERRY HILL CONSTRUCTION, REPRESENTING THE UNITED BROTHERHOOD OF CARPENTERS; NANCY J. RICHARDSON, DIRECTOR, IOWA DEPARTMENT OF TRANSPORTATION, REPRESENTING THE AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS; BRAD MILLER, GENERAL MANAGER, DES MOINES AREA REGIONAL TRANSIT AUTHORITY, REPRESENTING THE AMERICAN PUBLIC TRANSPORTATION ASSOCIATION; JEFF FREEMAN, DEPUTY DIRECTOR, MINNESOTA PUBLIC FACILITIES AUTHORITY, REPRESENTING THE COUNCIL OF INFRASTRUCTURE FINANCING AUTHORITIES; STEPHEN D. WRIGHT, VICE PRESIDENT, WRIGHT BROTHERS CONSTRUCTION, JEFFERY WHARTON, PRESIDENT, IMPulse NC LLC; AND VERONIQUE de RUGY, SENIOR RESEARCH FELLOW, MERCATUS CENTER AT GEORGE MASON UNIVERSITY**

Mr. OBERSTAR. So we are going to begin with Ms. Fisk's story. Thank you for traveling all the way out here.

Ms. FISK. Thank you for inviting me.

Good morning everyone, ladies and gentlemen of the Committee. My name is Joyce Fisk. I am 35 years old, and I am the mother of a 12-year-old boy named Austin. I am married to Gene Fisk, a volunteer firefighter and first responder in our community. We both work for Knife River Corporation in Minnesota. I drive a belly-dump and Gene drives a dump truck. We live in Almelund, a small town about 40 miles northeast of Minneapolis and 10 miles east of Interstate 35.

I met Chairman Oberstar while working on I-35 project last summer. It was a stimulus-funded project. And I was thrilled that Mr. Oberstar took the time to come see firsthand the job in progress, to take the time to talk to someone like me, just a truck driver thankful to have a job. Mr. Oberstar told me about the new bill he was working on and the progress it was making. I went home that evening and wrote a quick e-mail to the Transportation Committee, thanking him for taking the time to visit and to see his hard work in action.

As a belly-dump driver, I transport materials to and from a job site. I haul material, such as classified rock for the road base, or I haul millings away when we do road tear-outs, and I also haul bituminous mix to a paver. But I not only drive the truck, I amexpected to help maintain them. I grease moving parts, I check the oil daily, I crawl in the engine compartment, check for cracks in my frame, and I even make small repairs on the road if I need to. I put 500 miles or more on a day.

Driving an 80,000-pound truck isn't easy. I have to constantly be alert for traffic hazards, other drivers, animals, and potholes. And it can be a challenge to drive all day without getting tired.

Even more of a challenge is trying to guess what is going to happen next spring. I get laid off every winter, usually around Thanksgiving, and would usually be recalled in May after road restrictions are lifted. Last year was the first time I panicked when I heard our plant only had 10,000 tons of mix and no bids were being won.

We are proud of our company. Knife River has a large workforce of knowledgeable men and women who care about their community. We care about each other and provide moral support. But with no jobs to bid because of the recession and uncertain government funding, I watched morale fall. It was difficult to stay optimistic, and we started to argue about who was going to get the hours. It made work stressful.

My husband and I started to wonder what were we going to do if something didn't come in soon; are we qualified to get another job to sustain the household? What about health care? We bank up to 600 hours during the summer that allows us to qualify for health care during the layoff season, but if the hours run out, we have to pay for the COBRA and the continued coverage. It is almost unaffordable in unemployment and to make a mortgage payment, too.

What could we afford to give up? Austin might have to give up his saxophone. I once had an electric guitar, and my mom made me sell it because we needed the money. We decided to sell the pickup we were making payments on, so now the newest vehicle we own is an 8-year-old Pontiac with 163,000 miles on it.

We were preparing for a long summer of no work. The previous year, 2008, was hard on our industry. We saw close friends lose jobs, and we realized we no longer could take ours for granted. But then our plant estimator won the bid on the I-35 stimulus project, and we were relieved. The project was the heartbeat of a newfound source of happiness for many of my coworkers and me, we had faith in the economy again.

But many of our friends are still out of work and there are many Minnesota roads in need of repair. Some highways are almost undrivable in a tractor-trailer because they have deteriorated to the point of being unsafe. We need a long-term dedicated highway bill that will allow small companies a chance to rebuild and provide real jobs that will last.

Short-term bills are good for keeping a few companies afloat, but the real deal of a 6-year, $450 billion dedication of funds to transportation can restore confidence to companies and their workers. A new funding bill can ease the congestion in big cities and heavily traveled highways. Funding for light rail transit can save time, money, and help clean up our environment. Without future funding, I don't see manufacturers selling new equipment; there will be no companies starting up and offering new jobs.

Road construction is constant. There will always be a need for repairs. Let's stop the Band-Aid approach and put money into infrastructure that is going to offer real jobs that are going to last and get our economy moving again.

Thank you for this opportunity to speak today.

Mr. OBERSTAR. Thank you very much for that heartfelt statement. You just summed it all up so well. Your personal story, though, has been repeated 1,200,000 times all over the country; people who were laid off, who faced a bleak future and who have had a respite; and now our task, our challenge, as you suggested, as you appealed for to enact the 6-year authorization bill and continue to extend regular programs of the Federal Highway Program and make it possible to do the more complex projects that take longer time and involve more effort and more subcontractors, where minority enterprises will have more of an opportunity than in simple mill and overlay projects.

Before I go to my next witness, I must observe that on the job site—I had driven over I-35 at that point many, many times, maybe hundreds of times over the years—but there is a rut so deep that my forearm disappeared in it. Where the engineer put his road level on the surface, it went right over it, two inches over my forearm—that is not a dainty little forearm either. That was the nature of the project being undertaken.

It was so heartwarming. I had been at that sand and gravel pit that Knife River opened to carry out the project. There were workers doing the classifying of sand and gravel and aggregate who had been laid off 2 months earlier, who now were back on the job, as Ms. Fisk.

Staff reminded me, I misstated the number of road miles. I have been using a 5-week-old figure. We are now at 34,438 miles of highway improvements.

We will come back to each of the witnesses in due course, but our next witness is Mr. Florentino Esparza Luna, a carpenter.

My grandfather, Alexander Giuseppe Grillo came from Naples, Italy, as a carpenter in 1896, settled in Providence, Rhode Island to build homes, and then when iron ore was discovered in northern Minnesota, the district that I now represent, he and many others were lured west to build homes in the iron ore mining country. So we come from a family of carpenters, it is very touching for me.

One of my treasured pictures is a picture of Alexander Giuseppe Grillo and me, 5 years old, hammer in hand, pounding nails in the home that I still live in.

Mr. Luna.

Mr. LUNA. Thank you, Chairman Oberstar, Ranking Member Mica, and Members of the Transportation and Infrastructure Committee. It is an honor to join you today.

My name is Florentino Esparza Luna. I am a resident of District Heights, Maryland, and a proud member of the United Brotherhood of Carpenters and Joiners, Local 1145, a local union with the Mid-Atlantic Regional Council of Carpenters, MARCC. MARCC covers the District of Columbia, Maryland, Virginia, and West Virginia. Local 1145 is based in Upper Marlboro, Maryland, but we work throughout the region.

My message today is simple and straightforward: The stimulus passed by this Congress and signed by President Obama provided me with the job I have now. I am living proof of the job creation from the Recovery Act. The stimulus helped fund the Fairfax County Parkway project near Fort Belvoir, where I work.

I appreciate being able to work for a private contractor with the Federal dollars you provided in transportation. A job means so much. Nothing is more important than providing for my family.

I work for Cherry Hill Construction on the Fairfax County Parkway project in nearby Virginia. After being unemployed for over 4 months, I started work on this project in December of 2009. I am a skilled carpenter. I build concrete forms and perform other carpentry work on this huge, multimillion-dollar project. There are 30 carpenters working on the project now. The project is expected to employ about 150 workers in the construction trades. It will take well over a year to complete.

We are building the extension to the Fairfax County Parkway. My contractor will perform the first two phases of the work. The project involves extending the parkway, grading, draining, building a sound wall, and more. The project should make a big difference in Northern Virginia, where, as you know, traffic can be terrible.

I sincerely appreciate the support of the Members of Congress who voted for the Recovery Act. You played a key role in helping me provide for my family. I have a wife and two children. It is not easy getting by on an unemployment check. I would much rather be working, building my community's transportation system. I know that is also true for construction craft workers throughout the industry.

Construction workers are struggling. Many of the work opportunities in the residential and commercial parts of the industry dried up with the recession. About 20 percent of the members of my local union are unemployed. Even with an employment rate twice the national average, my local union is doing better than the rest of the construction industry.

As you know, Chairman Oberstar, the employment rate nationally in construction is over 27 percent. Too many construction workers simply cannot find work and provide for their families. It would be a lot worse if it wasn't for stimulus. The Recovery Act allowed me to put food on my family's table, allowed me to provide health care for myself and my family, and I am also able to put money into retirement so that I can retire in dignity.

The Carpenters Union and my employer also invest in the future workforce by making investments in apprenticeship and training. The Carpenters Union believes not just in jobs, but in long-term careers. Unfortunately, the high unemployment rate in construction and in my union has made it difficult to find work opportunities. That is why the support from this Congress and this President in providing real jobs through the American Recovery and Reinvestment Act has been so important to me and my brothers and sisters at Local 1145. All construction workers hope that Congress will make more of these investments in our economy.

Thank you for the opportunity to testify today. I sincerely appreciate it.

Mr. OBERSTAR. Thank you very much for that wonderful, heartwarming testimony. We started off with two home-run hitters here of a very personal testimony, a personal experience. To me, that is reward enough for the hours put in, the hundreds of hours we have put in on crafting this bill, beginning in December of 2007, moving it through the House in September of 2008, but with resistance from the previous administration, they vetoed the bill. Then we had an election. President Obama said he would sign a stimulus bill—or President-elect Obama at the time. And, as President, he did sign it.

As for the future of transportation, this is it; this is the bill that we reported from Subcommittee for the 6-year authorization. It is 750 pages—probably a few more will be added once we finish the final legislative drafting. It will be a total transformation of the Department, of the Federal Highway Administration, the Federal

Transit Administration. And we will be able to move projects much more expeditiously. We found lessons learned in the stimulus that States can move projects out much faster than in the traditional scheme of things, and we are incorporating those lessons learned into this bill.

So we are moving ahead, and your encouragement is very important for me and for my colleagues on this Committee. I know Mr. Mica has many times said we just have to move ahead with this bill. All the Members feel that way. We have had difficulty getting the Senate to concur with us, but Senator Boxer made a statement at a hearing 2 weeks ago, and again last week, that she will move ahead with the bill and start with our document as the foundation for it. So I am very encouraged that we will be able to complete the bill in this session of Congress.

Ms. Richardson, Director of the Iowa Department of Transportation, you have already been generously introduced by Mr. Boswell.

Ms. RICHARDSON. I am Nancy Richardson, Director of the Iowa Department of Transportation. And on behalf of the American Association of Highway and Transportation Officials, AASHTO, I amhere to talk to you about three things:

First, the success that States are achieving through the Recovery Act; second, the States' ability to spend further funding on additional ready-to-go projects; and third, the role of transportation in rebuilding and sustaining our Nation's economy and the importance of passage of a new Federal Highway and Transit authorization bill.

But first, Mr. Chairman, let me thank you and your Members of the Committee for your commitment to transportation, which led to the enactment of the HIRE Act that extends the highway and transit programs through the end of the year. This means that Congress can now turn its attention to your priority and ours, the enactment of a comprehensive, multiyear bill.

Speaking of economic recovery, as you know the Recovery Act had a March 2 use-it-or-lose-it deadline, and I am happy to report today that every State obligated every highway dollar they were eligible to receive, and not one dime was returned to Washington for redistribution. We are proud of the thousands of jobs the economic Recovery Act enabled us to support in Iowa and across the Nation, and of the long-lasting economic benefits of this capital investment.

The States' record of 100 percent obligation of these funds by the deadline did not happen just by accident. It took early planning and preparation and quick action. I am particularly proud of the pace of getting the Recovery Act funds put to work in my State of Iowa. I am pleased that Iowa has consistently ranked in the top five States in your Committee's rankings of how States have moved to get the Recovery Act funded projects out to bid, under contract, and underway. My State is just one of 50 examples of how the States have put the Recovery Act money to swift and good use.

Prior to the act even becoming law, the Iowa DOT worked with local partners to identify potential projects which would qualify for funding. We wanted to be ready to hit the ground running when the bill was passed, and we were.

Through these partnerships, we were able to quickly identify over 645 miles of highways and streets, 55 miles of trails, 36 bridges and structures, and four freight rail projects that were in need of improvement or replacement and were ready to make use of Iowa's $358 million.

Work has begun in Iowa on over 200 projects, and as of March 15, $215 million, or over 60 percent, of the highway funding available to Iowa has been received from the FHWA as reimbursement for payments to contractors and vendors. This funding was injected directly into our economy last year and was responsible for creating or retaining jobs all across the State.

When spring arrives and the construction season begins again in Iowa, we will see the remaining $143 million in Recovery Act funds being used to once again support jobs, aid economic recovery, and continue to improve Iowa's transportation system.

The same success has occurred as a result of the transit capital funding. With the $25 million in transit funds for Iowa's small urban and rural transit systems, we were able to identify for much needed replacement 216 old transit vehicles. As of the end of February, 136 of those transit vehicles ordered had already been delivered and put into service in Iowa.

Congress and the public also expect transparency and accountability in our administration of Federal funds, and I amconfident that the DOTs and our local partners will meet and exceed those expectations.

But what does this mean to Americans? First of all, it has meant jobs. I understand that every Member of the Committee has been given a copy of AASHTO's report: Projects and Paychecks. It found that States have created or saved 280,000 direct, on-project jobs. Total employment related to the projects has reached 890,000. While transportation received 6 percent of total Recovery Act dollars, as of this past December, it was responsible for at least 14 percent of the total direct jobs saved or created to date.

But the real story is about people, the people whose jobs were saved or who went back to work, the people who were able to make their mortgage payments, put their kids through school, and pay for health care, as you have just heard. These investments in our Nation's transportation network, first and foremost, have put and are putting paychecks in people's pockets. And although the primary focus of the Recovery Act was job creation and short-term immediate economic stimulus, we should not overlook the fact that these investments will provide long-lasting benefits with improvements to the Nation's transportation network.

We are very appreciative of Congress' recognition of the role that transportation can play in this Nation's economy, and we want you to know, Chairman, that we remain poised to support continued economic recovery and job growth.

Earlier this year, AASHTO went back to the States to determine additional ready-to-go projects. The States have identified more than 9,800 projects valued at close to $80 billion that could move through the Federal approval process within 120 days of enactment. The Recovery Act is working, and the States could do more of the same if additional jobs were available.

Finally, we urge you to enact a multiyear highway and transit bill before this Congress adjourns. We believe the $500 billion surface transportation funding target that you, Chairman Oberstar, have established, is a reasonable goal for this 6-year authorization period, and Congress should seek to fund it.

We need a balanced bill that increases funding for both highway and transit, and funds continued progress on high-speed rail. We also need a balanced bill that meets the needs of both rural and urban parts of the country. Mr. Chairman, we stand ready to work diligently with you to see that reauthorization happens promptly.

In closing, let me say thank you to Congress for providing us Recovery Act funds for transportation improvements. The States' DOTs have taken seriously your confidence in us that we could swiftly and wisely spend the money in order to benefit the economy, and we have delivered. We stand ready to swiftly and wisely spend additional funding that you might provide for continued economic recovery.

And finally, we urge you to continue your efforts and advocacy for passage of a well-funded, balanced, multiyear highway and transit bill.

Thank you, Mr. Chairman. I appreciate the opportunity to testify and will be happy to answer questions.

Mr. OBERSTAR. Thank you very much for that splendid testimony. Congratulations on the superb achievements in Iowa under the stimulus, as you have reported, and for the work of AASHTO's report, Projects and Paychecks. It is well-documented with photos of the successful projects all around the country. I just love stuff like that, it just gets me going.

And this is the AASHTO proposal for 9,800 additional projects, and nearly half of those are projects that Mr. Horsely, your executive director, has said can be under contract within 90 days, and the rest within 120 days. That would satisfy the requirements of the bill we passed in December in the House, which, unfortunately, the Senate has yet to complete action on; they have only dealt with half of it.

And for readiness, there are many touching stories, but one that really sticks in my mind is that of Secretary Gary Ridley of Oklahoma, who, in my visit out there to Tulsa and Oklahoma City, pointed to the Inner Dispersal Loop project or the loop around Tulsa. He said, We began designing this in November after your hearing—the one I held in October. He said, That Committee is serious, we better be ready. I told my engineers we are going to do 18 months of design in 4 months, and I want you to take your design and engineering plans to church with you on Sunday, because if I need you, I will call. And they did and he did, and they had it designed more than halfway through the $76 million project, which includes 44 bridges, by the way. So you have got a great story, and all of your colleagues across the country and all the State DOTs have great stories as well.

Mr. OBERSTAR. Now we will move to transit with Brad Miller, General Manager of the Des Moines Area Regional Transit Authority, speaking for APTA.

Mr. MILLER. Thank you, Mr. Chairman.

Chairman Oberstar, I am honored to submit testimony regarding the Des Moines Area Regional Transit Authority's use of funding for the American Recovery and Reinvestment Act, which has already created jobs in central Iowa and around the country, while improving public transit.

DART serves Iowa's capital region with a service area population of just over 400,000. While DART and Des Moines may be somewhat smaller than some of the other transit systems your Committee has heard updates from, I am pleased to report the funds have had a profound, positive impact for our 16,000 daily riders.

DART received $7.8 million in funding. Not only has DART been awarded all of our ARRA funding and will sign contracts for 100 percent of the funds by June, but DART has already drawn down and cut checks for nearly half the funds, getting these dollars into the economy and generating dozens of good jobs and improving the transportation services in Des Moines. I don't think our story is unusual, as FTA has awarded more than 99 percent of the $8.4 billion that was made available for transit under ARRA.

DART spent more than one-third of its ARRA funds on bus replacements, and I was thrilled to see the funded buses roll onto our property—as shown in the picture—just 2 weeks ago. The Committee has no doubt heard significant testimony of the strong need for funding of our country's infrastructure to achieve a state of good repair. This policy is as true for small-and mid-size transit systems as it is for our Nation's aging rail systems and deteriorating bridges and highways.

Not only did the ARRA funds benefit DART in Des Moines, but I am also pleased to report that ARRA funds supported the replacement of more than 180 small buses and 17 large busses at other transit systems throughout Iowa. Iowa takes great pride in its expansive network of rural transit services in all 99 counties of the State. The senior citizens and job seekers living in Iowa's small towns who rely on public transit are also seeing the benefits of ARRA.

DART used $1 million of ARRA funds to help build an energy-efficient expansion for our bus storage facility. The project is well underway, and the contractor has identified over 30 full-time jobs and more than $200,000 in construction wage and benefits that have already been created by this ARRA-funded project.

The recovery funds have moved DART's number one capital project priority a step closer to construction by supporting the design of the LEED-certified transit hub in downtown Des Moines. Now a design has advanced for this important facility that will create not only 200-plus direct construction jobs, but will will also be a catalyst for additional job growth as DART will be able to vacate its outdated transit mall along Walnut Street and provide space for first floor retail and small businesses.

Finally, DART is one of the many transit systems to gratefully use 10 percent of our allocated ARRA funds for a one-time source of operating assistance. While not every system was chosen to use this flexibility, preliminary results from an APTA survey now underway show that about a third of the approximately 150 agencies responding to the survey so far are using a portion of ARRA funding to prevent layoffs, avoid fare increases, or maintain service.

With the help of nearly $800,000 in ARRA funds for operations in Des Moines, along with pay reductions and furlough days from me and my nonunion staff, we were able to reduce our budget gap and save more than 30 bus operator jobs.

As the general manager of a 150-bus system like Des Moines', it is Yours Truly that makes the presentations at public meetings and listens to the hundreds of riders who tell me they are going to lose their jobs if we cut their bus service.

We just completed 10 such meetings 3 weeks ago. And I recall the story of one woman I met at a public meeting at the Forest Avenue Library in Des Moines. Ms. R. Cofield was at the meeting with her 3-year-old daughter to fight to keep the weekend bus service past the House of Mercy residential treatment facility where she and more than 40 other single mothers live with their children. She said she and the other mothers at the House of Mercy were going to lose their jobs at the Qwest telecommunications call center in downtown Des Moines if we cut the weekend bus service on DART's route number 5. She asked the question I heard more than a dozen times at the hearing: Why are you buying buses and building a transit hub when you could be saving routes?

I tried my best to explain the limits on using funds for operations versus capital expenses, but as the Committee knows, when transit is your lifeline to keeping your job to support your struggling family, you are not going to be easily convinced. Luckily, thanks to the allowance of the 10 percent of ARRA funds for operating assistance, DART was able to preserve that weekend service that Ms. Cofield and many others rely on.

Certainly, the question of operating assistance is a challenging one for the Committee. Undoubtedly, many transit agencies, particularly smaller agencies, would accept a change to allow them to spend more Federal money on operations. However, they would defer capital projects, including desperately needed bus replacements.

But these are certainly extraordinary times. DART's 5 percent cut in service and likely layoff of 20 bus operators are the most substantial cuts we have had to make since the 1980s. We are extremely thankful to the Committee for the temporary ability to use 10 percent of the ARRA funds for operations, and would strongly support continuing this authorization on a temporary basis.

I finish my remarks by noting that without a new Federal investment in a long-term reauthorization bill, it will be difficult to maintain the employment benefits that ARRA has already created for our agency. Needless to say, we definitely support the Committee's efforts to approve a multiyear transportation bill at the highest level of investment possible for public transit. Such a bill would stabilize DART's finances, advance our job-creating capital projects, and strongly assist our efforts to improve transit this Iowa.

Thank you for the opportunity to testify, and I look forward to your questions.

Mr. OBERSTAR. Thank you very much, Mr. Miller, for that splendid testimony, for the before-and-after pictures, and for your remarks on operating assistance. It was very important for us to include that language in this bill. We extend it in the authorization bill and doubled the funding for transit over the 6 years of this bill.

I will now invite Mr. Jeff Freeman, who is the Deputy Director of Minnesota Public Facilities Authority, who has an extraordinary story to tell us of how they leveraged their funds to achieve a nearly 50 percent increase, or more, of the Recovery Act funds allocated to Minnesota and provide clean water for communities that in many cases didn't have it at all.

I will excuse myself for a few minutes for a meeting with the Speaker and invite Mr. Cummings to chair the hearing.

Mr. CUMMINGS. [Presiding.] Mr. Freeman, please.

Mr. FREEMAN. Thank you.

Mr. Chairman, Members of the Committee, my name, again, is Jeff Freeman. I am the Deputy Director of the Minnesota Public Facilities Authority. Thank you for the opportunity to come before the Committee to talk about our Clean Water State Revolving Fund program and our experience with the American Recovery and Reinvestment Act funds.

The Minnesota Public Facilities Authority is a multiagency structure financing authority that manages the Clean Water State Revolving Fund, the Drinking Water State Revolving Fund, a State Infrastructure Bank for our transportation projects, and several other infrastructure financing programs.

Since the Clean Water State Revolving Fund began in 1989, Minnesota has received $577 million in Federal capitalization grants, added $150 million in State matching funds, and leveraged those funds with our own AAA-rated revenue bonds to finance $2.4 billion in clean water projects throughout the State. These low-interest loans have saved cities and their taxpayers over $530 million in interest charges.

This financing has helped local governments rehab and replace aging wastewater treatment plants, upgrade systems to meet new standards, rehab collection systems, construct new interceptors, and a variety of other projects. These are essential infrastructure projects that protect and improve water quality, and also, of course, have a major economic impact not only in terms of the construction jobs that they create, but also in terms of providing a critical foundation for the economic vitality of the cities that have and need this infrastructure.

The enactment of the American Recovery and Reinvestment Act in February 2009 provided badly needed capital for these programs, but also created significant challenges for the State Revolving Fund programs. The specific provisions and accountability requirements attached to ARRA required EPA and each State to develop and implement new processes and procedures within a very short period of time. In Minnesota, there was a flurry of activity between February and April of 2009 as we put together all the pieces leading up to our formal application for the funds in mid-April.

On June 8, 2009, we received the official notice that the funds had been awarded, and by June 25, 3 weeks later, virtually all the funds had been committed for projects that were approved, bid, and under construction. Formal loan agreements were then executed over the next few months.

Minnesota's share of the ARRA funds for clean water was approximately $82.5 billion. We awarded $44.7 million as principal forgiveness, and $17.5 million for green infrastructure projects for energy and water efficiency improvements.

Our strategy for the ARRA funds focused on using the principal forgiveness aspect in three ways, with an emphasis on creating incentives to get projects moving quickly. We offered 20 percent principal forgiveness to all projects on a first-come, first-served basis, if they were open bids and were ready to start construction. And we also directed principal forgiveness to deal with particular affordability problems, and as incentive for the green infrastructure aspects of the projects.

To get the biggest impact and fund the most projects, we leveraged those $82.5 million in ARRA funds with over $100 million in non-ARRA clean water SRF loans to finance 25 projects, for a total investment of $182 million. To date, we have expended over 62 percent of the ARRA clean water funds, and our job reports show that there have been 295,000 job hours created, with a total payroll of $11.7 million.

The Clean Water ARRA funds went to a variety of cities and projects. I would like to give you a couple of examples. The city of Waseca financed a $16 million project for improvements to their wastewater treatment and collection system. The undersized system was creating raw sewage discharges to Clear Lake, and impaired water, and also sewage backups in people's basements.

To prepare for the project, the city had increased their rates by 60 percent to an average household cost of $55 a month, but they still would have been unable to move ahead with the project without the ARRA funds. The city of Duluth received $5 million to build a sewage overflow tank on the shores of Lake Superior to prevent overflows into the lake during storm events. The city of Grand Rapids constructed a $30 million project to relocate their primary treatment and solids dewatering facilities and incorporated energy and water conservation improvements into that project as a result of the ARRA funds.

Our experience with ARRA illustrates some of the features of the Clean Water State Revolving Fund that have made it so successful in general. The Clean Water Fund utilizes a project priority list, a comprehensive list that in Minnesota's case we have 381 projects for about $2.1 billion. Each year we get over $400 million of requests for projects to move ahead to construction. We know that not all of those can go ahead because there will be delays for various reasons, so we purposefully put more projects on the list than we expect to go ahead, and we use our ability to sell AAA-rated revenue bonds as the flexibility of that to provide funding for the projects that are able to go ahead.

When our board approved our intended use plan in the summer of 2008, at that time the economy was already slowing down; and they recognized the importance of putting more projects on the list to give as many of us an opportunity to move ahead. Because of that X, we put five times as many projects on the list as we typically fund; and, because of that, we were well positioned to fund the ARRA projects when the money came through.

Mr. Chairman and Members, thank you for your strong support of the Clean Water State Revolving Fund. We look forward to working with you on reauthorization of the program in the future, and I would be happy to answer any questions.

Mr. CUMMINGS. [presiding]. Thank you very much, Mr. Freeman.

We will now hear from Mr. Stephen Wright, the Vice President for Wright Brothers Construction Company, Inc., representing the American Road and Transportation Builders Association.

Welcome.

Mr. WRIGHT. Mr. Cummings, I am Steve Wright, President of Wright Brothers Construction Company in Charleston, Tennessee. I am here today representing the American Road and Transportation Builders Association where I serve as the Southern Region Vice Chairman.

Wright Brothers was founded in 1961 by my father and my uncle. Our company performs a variety of highway and heavy construction services. We currently have projects under way in Tennessee, Alabama, Georgia, and North Carolina.

Mr. Chairman, the Recovery and Reinvestment Act's transportation investments have been a resounding success. Its impacts, however, cannot be truly appreciated without understanding what our sector faced prior to the measure's enhancement.

The U.S. transportation construction market had been in a steady decline since 2007 due to State budgets, the general economy, and an increasing material crisis. The continued recession made this bad situation worse. Highway contractors laid off almost 26,000 employees in 2008 and early 2009. In fact, my company's employment peaked in 2008 at 350 workers, and it has since fallen by 34 percent, due largely to declines in the private construction market.

Going into 2009, we faced a severe recession, uncertainty about the Federal Surface Transportation program reauthorization and continued State budget difficulties. Not surprisingly, this made for a very sobering outlook.

The one bright spot for our sector was the Recovery Act's transportation investments. My written testimony includes substantial information that describes the exemplary pace at which these funds have been put to use and their real-world impacts.

I would like to highlight one point to demonstrate the contribution of the Recovery Act's transportation investments.

Figure 2, on page 4 of my testimony, compares the transportation contracts awards for 10 months prior to the enactment of the Recovery Act with the awards 10 months after these investments hit the marketplace. This information is significant because contract awards are a leading indicator of future construction activity.

Following the Recovery Act, highway construction awards increased 19.4 percent. Bridge contracts are up 14.6 percent. Airport awards have grown 61.2 percent. Transit contracts ballooned 216 percent.

Because there are a variety of U.S. transportation construction investment sources, it is difficult to attribute the increase of contract awards solely to the Recovery Act. However, it is abundantly clear that the 22-year negative transportation construction market trend began reversing itself in May of last year. This is the same point at which we saw Recovery Act funds begin supporting projects. As figure 3 demonstrates, this positive trend is continuing with highway contract awards growing this January, while awards in January of 2008 and 2009 had declined.

To put a real face on this data, Wright Brothers won four separate Recovery Act contracts. Three of these are small projects in Tennessee that have allowed us to save the jobs of one five-person concrete crew. We also have a large capacity and reconstruction project in Alabama that has allowed us to hire 19 people and has saved at least that many jobs. We are expected to add more people as we get further into this project. Half of the project is subcontracted, so we represent only a portion of its job impacts.

The leadership at the Alabama Department of Transportation has said that, while this project was a priority for them, they would not have had the ability to move it forward without the Recovery Act.

The success of the Recovery Act notwithstanding, the transportation construction industry continues to struggle with unemployment at record levels and great uncertainty about future State and Federal transportation investments. I can state with all certainty that, as bad as things are right now, they would have been much worse without the Recovery Act.

To sustain and bid on the Recovery Act and re-energize the long-term growth potential of the United States, we must not lose sight of the need to enact a 6-year surface transportation authorization bill at the investment levels proposed by this Committee as soon as possible.

Thank you for your leadership on the Recovery Act, for the recent transportation extension and your ongoing efforts to deliver a multi-year reauthorization bill.

I appreciate this opportunity to testify, and I am happy to answer any questions.

Mr. CUMMINGS. Thank you very much, Mr. Wright.

We will now hear from Mr. Jeff Wharton, President ofIMPulse NC LLC. I guess it is in North Carolina?

Mr. WHARTON. Yes, sir.

Mr. CUMMINGS. Thank you very much for being with us.

Mr. WHARTON. Well, good afternoon, Mr. Cummings.

My name is Jeffrey Wharton, President of IMPulse NC. Thank you for this opportunity to present testimony regarding the job creation and retention impacts of the public transit investments included in the American Recovery and Reinvestment Act.

As a brief background, IMPulse is an overhead contact hardware manufacturer located in Mount Olive, North Carolina, with 30 direct employees, plus a large nationwide sub-supplier base. Our product, which dates back to 1888 through the Ohio Brass Company, is used to support aerial wires that feed power for light rail trains, streetcars, vintage trolleys, and electric trolley buses. IMPulse is a Marmon Group/Berkshire Hathaway Company and is a member of the American Public Transportation Association.

My testimony today is on behalf of my company.

I am pleased to report that, in 2009, my new project business grew 35 percent; and, in 2010, I expect sales to grow another 10 to 15 percent. I do not believe that my business would have survived without the investment in public transportation by way of the ARRA stimulus funding. Our projects include the Los Angeles

Gold Line extension, the Denver West Corridor line, the Pittsburgh North Shore Connector, and the Portland Streetcar Eastside Loop project, among others.

I recognize that most of these projects were already in the funding pipeline as new capital projects; and as the program and project authorizations under SAFETEA-LU approached expiration, ARRA funding served as an important bridge between that bill and the next authorization bill and helped expedite these projects.

In talking with my supply partners, I have come to learn how much they have relied on my business due to the tough economy.

Shirley Gaines, President of Synehi Castings, a woman-owned business located in Greenwood, South Carolina, told me that IMPulse has kept her business afloat. With the decline in the automotive industry, she was able to keep 36 jobs through the orders received by IMPulse and the ARRA-funded projects.

John Petro, a third-generation owner for Warsaw Foundry in Warsaw, Indiana, has been able to maintain 44 jobs through the transit orders directly from IMPulse. John stated that the only sales growth in his business that he has experienced has been from the IMPulse transit orders.

Mac Flynn, plant manager for the Brost Foundry that operates in Mansfield, Ohio, and in Cleveland, attributes over 29 percent of his business to IMPulse, helping to keep 50 to 60 employees working.

Lastly, Korns Galvanizing Company, located in Johnstown, Pennsylvania, has been able to keep 44 jobs through IMPulse orders and the quick implementation of economic stimulus and jobs funding for public transit. Previously, they had relied mostly on commercial work; and, today, IMPulse is one of the larger accounts.

I could go on and on with suppliers in Texas, California, Illinois, Washington State, and others. As you can see, IMPulse's transit sales have impacted businesses throughout the U.S., and the associated ARRA funding has directly contributed to saving hundreds of jobs.

Let's face it. Transportation is the backbone of the economy, and public transit is an incredibly important aspect of our national surface transportation system. Public transit creates great jobs.

I want to make substantial long-term investments to grow my business and to develop new products and technologies that will improve public transit options, but I need a long-term vision from our elected officials.

I truly wish to thank Chairman Oberstar and this Committee for your steadfast leadership in advancing transportation investment through ARRA and your efforts to pass a new surface transportation authorization bill.

Let there be no mistake. There is a cliff fast approaching if we do not continue to invest and recognize the immediate and invaluable benefit that public transit provides our economy, quality of life, and the environment.

I thank the Committee, and I look forward to answering any questions you may have.

Mr. CUMMINGS. Thank you very much.

Ms. Veronique de Rugy. Am I close?

Ms. DE RUGY. Yes, very.

Mr. CUMMINGS. We thought Mr. Oberstar would be in the chair. You know he speaks French.

Ms. DE RUGY. I was told.

Mr. CUMMINGS. de Rugy?

Ms. DE RUGY. Yes. Sure.

Mr. CUMMINGS. Is that close?

Ms. DE RUGY. Yes, close.

Mr. CUMMINGS. You are a Senior Research Fellow with the Mercatus Center at George Mason University. Thank you.

Ms. DE RUGY. Mr. Cummings, it is an honor to appear before you today to discuss the allocation of the Recovery Act funds. My name is Veronique de Rugy. I am a Senior Research Fellow at the Mercatus Center at George Mason University, a research-based organization where I study budget and tax issues. It is in this capacity that I have been tracking stimulus dollars since last February.

Using recipient report data from Recovery.gov and economic and political data from the Bureau of Labor Statistics, the Census Bureau, GovTrack.us, and others, I have compiled a series of facts about stimulus spending. My interest is simply to make use of the tens of thousands of stimulus recipient reports recently published on Recovery.gov and to put the aggregate information contained in those reports in a larger context.

This report is the second of a series of reports, published on a quarterly basis, as new recipient reports are released each quarter. The data presented here covers the fourth quarter of the calendar year 2009 reports of Recovery Act contracts and grants only. The complete data set used for this report is available for download at Mercatus.org. You can find the details about my methodology in my written testimony, but, today, I will highlight some of the main results of my analysis.

First, in this second quarter for which Recovery.gov reports are available, over 65,000 contracts and grants were awarded. The total spending reached over $170 billion—that is, roughly, $1 billion awarded per week—and an additional $13.6 billion reported received over the previous quarter. This is a sharp decline in spending compared to the $156 billion received in the previous 3 months. At that rate, the government should be done awarding stimulus dollars by 2020.

Second, the total number of jobs claimed to have been created or saved overall by the stimulus actually declined from last quarter, shrinking from about 634,000 to a little over 597,000 jobs. This job shrinkage could have resulted from changes made by the White House on how to count jobs. However, it goes to show how terribly difficult it is to account for net jobs created from stimulus spending. It also outlines the near impossibility to account for how many jobs were saved by the stimulus funds.

Third, I found, for every $286,000 spent, one job was claimed to have been created.

Fourth, the main argument for enacting the $787 billion stimulus bill was that, if the government spends money where it is the most needed, it would create jobs and trigger economic growth. Hence, we would expect the government to invest relatively more money in districts that have the highest unemployment rates and less money in districts with lower unemployment rates.

Controlling for the percentage of the district employed in the construction industry, which is often used as a proxy for the vulnerability to recession of a district, we find no statistical correlation between all relevant unemployment indicators and the allocation of funds. This suggests that unemployment, so far, has not been the factor leading the awards. Also, I found no correlation between other economic indicators, such as income, however you want to measure it, and stimulus funding.

Finally, on average, Democratic districts received one-and-a-half as many awards as Republican ones. Democratic districts also received two-and-a-half times more stimulus dollars than Republican districts. Republican districts also received smaller awards, on average.

There are more Democratic districts than Republican districts in the Congress. This is why then I checked for the correlation between political indicators and stimulus funds. I found that, with the exception of the district's party's affiliation, which is whether the district's representation was Republican or Democrat, there is no effect of political variables on the allocation of stimulus funds.

So how much does party affiliation matter? While the effect is significant, because of the specifications of the model, more confidence should be placed on the relationship between the two variables than on the quantification of that relationship. In plain English, it means that, while I am confident that whether the district is represented by a Republican or a Democrat matters for funding, we are not sure what the weight of this particular factor was compared to others that went into the decision of spending the money, such as the formula, for instance.

Thank you very much for the opportunity to testify before you today. I am looking forward to answering your questions.

Mr. CUMMINGS. Thank you very much, Ms. de Rugy.

Let me just ask you something. I just asked staff, you know, what you were basing those figures on. I am just curious. You know, a third of this money went to tax cuts, right?

Ms. DE RUGY. The report that I published is based on the data that is available on Recovery.gov. This is the data reported by recipients of the stimulus dollars for contract and grants exclusively.

Mr. CUMMINGS. Okay. I see. I see.

When we talk about stimulus, I mean, almost two-thirds of the money went to two things, one, to tax cuts and, two, to helping States address their issues and keep policemen hired and folks hired and that kind of thing. So I guess, with what you have got left, you are talking about the actual contracts themselves. I see.

Ms. DE RUGY. Yes.

Mr. CUMMINGS. All right. Thank you very much.

Ms. DE RUGY. You are welcome.

Mr. CUMMINGS. Ms. Richardson, you indicated in your testimony that States have $80 billion of ready-to-go projects if additional funding were made available. What do you mean by ″ready-to-go″? How long would it take for those projects to actually begin construction, and would the majority be repayment projects?

Ms. RICHARDSON. By ″ready-to-go,″ when we did the survey, we defined that similar to what the Recovery Act had been and said that they could be obligated—using that Federal definition of "obligation," they could be obligated within 120 days of enactment. We have done some additional analysis of that, and about half of those could actually be put to contract within the first 90 days following enactment, which would be even a more aggressive time frame.

With types of projects, the $80 billion has crossed all modes. So it is not just highway. You know, it is also aviation and trails and transit and other kinds of projects. On the highway side, certainly a fair amount of it or a certain amount of it would be in the resurfacing and preservation of the existing system, but there is also a mix of projects that would be expansion or the creation of some new lane miles.

Mr. CUMMINGS. Now, you discuss a number of direct on-project jobs among the States made possible by the Recovery Act expenditures. Has AASHTO tracked the total DBE participation across the States?

Ms. RICHARDSON. I don't know if AASHTO has, but I do believe that that is being tracked as part of the reporting that we are doing either to the Federal Highway Administration or to GAO or to someone like that. So that is being tracked.

We always track that, frankly, on all of our projects. We track the percentage that we have achieved, and that data is out there for that related to the Recovery Act. I don't have that number in my head, but it is available.

Mr. CUMMINGS. All right. Thank you.

Mr. Freeman, have other States provided principal forgiveness, as you have done, to your knowledge?

Mr. FREEMAN. Mr. Cummings, yes. All States have used the principal—the ARRA funds that went to Clean Water State Revolving Funds required a minimum of 50 percent be provided as principal forgiveness.

Each State has done that a little differently. In our State, we have affordability criteria; and we have used some State funds in the past to deal with affordability problems. That is where we directed most of our principal forgiveness funds. I think that is a similar experience with other States, but each State has—and that is kind of the strength of the Clean Water State Revolving Fund, is that each State has some flexibility to design the criteria and the procedures to best fit their needs.

Mr. CUMMINGS. Do you know what has been the experience of other States with that process? Do you have any idea?

Mr. FREEMAN. I don't have the numbers from other States. I know that all States did meet the 1-year—the requirement to have the funds under contract and under construction within the 1-year period of time and, as part of that, had met all of the principal forgiveness requirements as well.

Mr. CUMMINGS. Now, is this something you have done in the past?

Mr. FREEMAN. With some State programs, we have provided some additional subsidy for communities that have affordability problems. We have found that, for smaller communities in particular, the costs for wastewater treatment infrastructure can easily go over $50, $60, $70 a month per household. At that rate, communities just can't afford to move ahead with projects without some additional subsidies, so we have done that with some State funds. The principal forgiveness through the ARRA funding gives us another tool and a significant share of those funds to be able to meet those needs.

Mr. CUMMINGS. Mr. Miller, you indicate in your testimony that you used 10 percent of your allocated Recovery Act funds for a one-time operating assistance infusion; is that right? Is that what you said?

Mr. MILLER. That is right.

Mr. CUMMINGS. What will happen to your operating budget when this infusion is no longer available?

Mr. MILLER. Well, Mr. Cummings, that is a very good question. You know, we are hopeful that the economy will start to improve and that some of our other sources of revenue will improve, but we certainly would be supportive of additional authorizations to use some of our other Federal funds or additional stimulus dollars, should they be allocated in the same way.

Mr. CUMMINGS. You also indicated that you have purchased new buses with the Recovery Act funds; is that right?

Mr. MILLER. That is right.

Mr. CUMMINGS. I know that purchases have been common with recovery funds. You said that you have taken delivery of your new buses, but have other transit agencies experienced delays in getting buses, given the large number of orders that they have placed? Do you know?

Mr. MILLER. I mean, I have heard that we are very lucky in that we have already received the delivery just 2 weeks ago of our buses and that some other transit systems have not received theirs. But, you know, even under normal times, it takes a year to a year and a half to deliver buses. So I have not heard of any particularly long delays in receiving buses, and they are already out on the streets, driving around Des Moines, Iowa, right now.

Mr. CUMMINGS. Finally, let me just ask you, Mr. Wright—I just have two questions, and then the chairman will take over.

Mr. Wright, what are the trends in State transportation budgets in 2010? Are the States able to afford to maintain their existing systems or is even maintenance suffering in this economic environment?

Mr. WRIGHT. Mr. Cummings, the State I am most familiar with is Tennessee, and their program has evolved into, basically, a maintenance-only program. They have almost no funding available for new capacity.

Mr. CUMMINGS. So they are just basically maintaining?

Mr. WRIGHT. That is right.

Mr. CUMMINGS. Are there any specific changes to the metropolitan planning process that you are advocating for, say, the next reauthorization?

Mr. WRIGHT. I would encourage anything you can do to simplify the process. It takes too long to get a project from creation to contract where we actually begin to work on it.

Mr. CUMMINGS. Well, I will tell you—and I know he will tell you about this—our chairman has been trying to figure out how to do that, how we can go about doing what you just said. It has not been easy, but we are trying to figure it out. With the reauthorization he is proposing, I think you will be pleased with some of the things in there because it goes a long way towards what you are talking about.

Mr. Chairman.

Mr. OBERSTAR. [presiding.] To extend the conversation you just had with Mr. Cummings, the chairman of our Subcommittee on the Coast Guard, we established in this bill that has been reported from Subcommittee an Office of Project Expediting in the Federal Highway and the Federal Transit Administration.

It is intolerable that it takes 3 years to do, under current law, a simple mill and overlay, go over and ground the surface of a roadway, reprocess it, and put it back in place, or that it takes 14 years from idea to ridership for a transit project. That is way too long. Bond issues run out. Costs escalate. There have been some experiences of up to 50 percent cost increases over the time of a transit project. That is just intolerable.

We have to end this sequential process of endless reviews and turn that on its side and have these reviews done concurrently with the transformation we spell out in this legislation and craft for the future of transportation—do those reviews concurrently, be able to do transit projects, new starts and extensions of existing operations in 3 years instead of 14 years.

The system we have today is new starts, slow starts, and no starts. That is not serving the needs of transportation or reducing congestion in America's major metropolitan areas. We have to move much faster and put people to work and projects under way much faster, and we will do that with this legislation.

The ARTBA has made a great contribution to our process, to the legislative language. Mr. Luane has been like a Marine Corps drill sergeant in helping us get this done. So, yes, we are very keen to get this bill moving again.

We reported this document from Subcommittee in June of 2009. Unfortunately, the Senate thought they needed 18 months. The administration said they wanted 18 months. I said that delay is the enemy of progress. That is way too long. We have to move fast.

In the stimulus, AASHTO, transit agencies, the contractor community, the Associated General Contractors, the Road and Transportation Builders, the building trades, and the truck drivers have all shown that, given deadlines, they can perform. They can meet those deadlines. They can put people to work and projects under way in much shorter time frames than we have done in the past. So we are taking those lessons and incorporating them into the future of transportation, but we also need a follow-on to the stimulus.

There are 30 States that have notified this Committee that they will be unable to provide their full 20 percent match under the 80-20 Federal-aid Highway Program because the revenues are down, because their tax revenues are down, because their gas tax revenues are down. Those 30 States represent 70 percent of the population of the United States.

The Associated General Contractors did a survey of their top 400 firms, and they came back to the Committee with a report that, when the stimulus runs out, they expect to have 40 to 50 percent layoffs because the private sector financing for what the trade calls the ″vertical projects″ isn't coming back. Investors simply are not making the investments that they were making.

Knife River told me last year that, in 2007 and 2008, nearly 80 percent of their work was in the private sector—is that right, Ms. Fisk?

Ms. FISK. I believe it is close to that number, yes.

Mr. OBERSTAR. —by last summer. Because of the deterioration of the economy, the financial meltdown, most of those general contractors were doing 60-plus percent of the work in the public sector. But we have to sustain the existing jobs and investments and carry that so that the rest of the economy can catch up and so that the private-sector investments that had been made in the past can continue to be made in the future. We need to get through this summer. I think this one more summer of stimulus will set the stage and move the country forward.

Unfortunately, while we passed our legislation to fully fund the States' 20 percent share of the Federal highway program in December, the Senate has not done that. They have only passed the extension of current law through the end of this fiscal year and 3 additional months. That is not sufficient. That is not a good service to the country. Every witness that we have had over these past 12 months of hearings has said we need an additional investment in transportation and other infrastructure projects to carry us through until the private sector has made its recovery and then we will see a return. Meanwhile, we have got permanent investments and improvements for the future of our transportation system and our wastewater treatment system.

Now, Mr. Freeman, you and Terry Coleman have done outstanding work, as I said, at the outset. You are 25-year professionals. You have been at this program for a long time. What lessons learned from the stimulus would you offer for the Committee that we can apply to the future of the State Revolving Loan Fund that has already passed the House but that, again, is awaiting action in the Senate?

Mr. FREEMAN. Thank you, Mr. Chairman, for those kind words.

The Clean Water State Revolving Funds, of course, are unique in that, first of all, these are cities that are building these projects, and we are providing the financing rather than doing direct contracting. The Clean Water Revolving Funds operate from a comprehensive priority list, so there are always projects in the pipeline that are in various stages of development. The fact that these are revolving loan funds rather than straight grants means there is an ongoing stream of repayments. The money is always revolving, so projects are continually moving through the processing, being funded, and the additional Federal capital and State matching funds allow us to leverage those funds and to generate additional lending capacity.

But the key, I think, is that, for the cities that are developing these projects and moving them through the process, they need steady and predictable funding. They need to know the money will be there when their projects are ready, and they need to have a clear sense of what the requirements will be. So we are very much in favor of the proposed reauthorization of the program.

We are a little troubled with the 2010 appropriation, because it imposed some additional requirements that were not predictable and became somewhat disruptive and difficult for the cities that were already in the pipeline, for projects that were already bid and, in some cases, already under construction. So that is a difficult way to fund the process, and certainly a reauthorization bill that will again restore kind of the predictability and the steady funding for the program will be—you know, we are very much supportive of that, and we appreciate your efforts on that, and we will do anything we can to help.

Mr. OBERSTAR. How were you able to manage the balance of loan funds with grant funds? The SRF is a loan program. We provided part of the funds as grant money and part as loan funds, and you were able to—not just you but your agency was able to leverage those dollars to create more funding, including State funds appropriated by the Minnesota legislature, and you were able to leverage those into a significantly greater investment than what otherwise would have been the case. What did you do? You had some creative financing going.

Mr. FREEMAN. Mr. Chairman, Minnesota is one. I think there are approximately 35 or so States that operate their Clean Water Revolving Funds as leveraged programs.

In simple terms, what that means is we are using the Federal capitalization funds and the State match as kind of the seed money and then selling, in the case of Minnesota, our AAA-rated revenue bonds. They are not backed by the State. They are Minnesota Public Facilities Authority bonds. They are backed by the repayment stream of all the loans that we had made previously.

So using that leveraging ability allows us to give a larger number of projects on the priority list kind of the green light to move through the engineering design work, the approval process, and then we can have the money available when their projects are ready rather than those projects waiting for us to tell them, okay, now you can start. They are always moving and always developing those projects, and we are able to use our leveraging to have the money available when they need it.

Mr. OBERSTAR. Do other States have a rating system such as the Minnesota Public Facilities Authority? If I recall rightly, you ranked the projects 1 through 263 on the wastewater treatment side and 1 through—what was it?—112 or 113 on the drinking water side. By need locally, by the readiness to go to bid and by the local financing capability in place, are there other States that have similar rating systems?

Mr. FREEMAN. Yes, Mr. Chairman. All States operate from that priority list. That is part of the requirement and the framework of both the clean water and drinking water State Revolving Funds.

In our case—and, actually, those numbers have increased quite a bit since, I think, the last time we provided you a list. We now have over 280 projects on the clean water list for about $2.1 billion. The drinking water list, I think, has close to 300 projects as well. So the needs are certainly there.

We rank those projects—actually, we don't. Our partners with the Minnesota Pollution Control Agency ranks those clean water projects based on environmental and public health factors, so that is the ranking that we follow.

Then we work with communities to identify the ones that have completed the preliminary planning work and will be ready to go to construction, and that is the list that we take then and develop the intended use plan from so that all of those cities know, if they get to reach a certain point where the planning is done, they can then move on, and we will put them in a fundable range on our intended use plan and have the money available when their projects are ready.

Mr. OBERSTAR. Very good.

In our reauthorization of the State Revolving Loan Fund program, we require States to develop management plans and the ranking of projects and to develop a long-range program of investment. In using the criteria that you just cited, we hope that the Senate will act on that legislation, which is a $15 billion authorization over the next 5 years. I think it is far less than what the Nation needs, but it is responsible funding, and we know that it will be fully offset.

Ms. Richardson, in the Surface Transportation Program, we had a two-part requirement for projects to get under way in 90 days and others in 120 days. Initially, the State DOT said, oh, that will be too difficult for us to meet. But, in the end, all State DOTs have far exceeded their original—they have underestimated their own ability to perform.

Now, what lessons are there to be drawn for the future of transportation from your stimulus experience?

Ms. RICHARDSON. Well, a couple come to mind based on your comments.

One, I think that we cannot underestimate how much work there is that needs to be done in the transportation infrastructure in this country. So when we go to States and other jurisdictions and say, what projects do you have, there is a considerable backlog and a lot of needs out there. So I think that there will always be a pool of very good projects for us to choose from, whether it is from our regular funding or from any special funding.

The second lesson is the one that you highlight, and that is maybe we underestimated our own abilities a little bit. But, you know, you are always concerned when you hear time frames like that because we are used to longer time frames, but I think, when asked to change our paradigm and look at things a little differently, we all were able to come through and deliver in that type of time frame. The 120 days to obligation, everybody met.

I know, as there were discussions about a follow-along stimulus in the jobs bill, there was concern that that had language in it that said 90 days to contract, but, in fact, when we did the survey of States to find out what other ready-to-go projects were out there and when we identified over 9,800 projects at $80 billion, I am told that somewhere around half of those could actually get to contract within 90 days.

So I think we have learned that we can—with the pent-up demand that is out there and with the kind of work that needs to be done just to preserve this system from crumbling, there is certainly enough work out there that we could do it quickly, whether it is 120 days to obligation or 90 days to contract.

Mr. OBERSTAR. Well, those are important lessons learned.

The Office of Project Expediting that we will include in this bill that has been already reported from Subcommittee will take those lessons learned and apply them and expedite the process so that we are not doing multiple reviews in sequence that delay project delivery. It is not to set aside any environmental concern or other permitting requirements of a host of government agencies. Townships and sewer boards and the Environmental Protection Agency and the National Trust for Historic Preservation all have a permit responsibility, but they can be done concurrently rather than sequentially.

Ms. RICHARDSON. Absolutely.

In fact, when we looked at that in our State in the past decade, we termed it the ″can do″ process, ″can do.″ It was to do exactly that, to see where in our process we could have things running in parallel, rather than sequentially, so that we would take considerable chunks of time out of that lengthy process.

Mr. OBERSTAR. Well, that is where we want to go for the future.

Now, what is the situation in Iowa? I mentioned 30 States have notified the Committee. Iowa was one of those. Are your highway funding prospects looking better or the same as earlier this year?

Ms. RICHARDSON. Well, I think that, like all States, the economy, of course, is affecting our revenue streams, and both in terms of— our revenue at the State level comes from fuel taxes and then also fees and new vehicles purchased, on their registration fees and some fees at the time of purchase. When the economy is not as strong, people are not buying as many vehicles nor driving them as much, so we certainly have a lag in our revenues from what we were projecting.

I believe that our legislature, at the State level, 2 years ago took on the hard task of looking for additional State revenue, and it passed a piece of legislation called TIME-21, which is bringing more revenue at the State level into the transportation fund, the Road Use Tax Fund. It is just that that is ramping up over about 7 or 8 years. So our legislature has put in place something that will bring some additional State funds in gradually over the next few years, and I think that will help us continue to have enough match for Federal funds. But it is touch and go, and there are other States in which it certainly is already a problem.

Mr. OBERSTAR. That is why we need to get this bill passed——

Ms. RICHARDSON. I agree.

Mr. OBERSTAR. —and the long-term funding mechanism——

Ms. RICHARDSON. Yes, I could not agree more.

Mr. OBERSTAR. —and an additional, maybe, 6-month stimulus but also significantly more revenue.

In this legislation, we expressly prohibited project-specific designations known as ″high-priority projects.″ Each State has a ranking process that they have followed. So you made selections of projects based on readiness—that is, meeting the criteria of the Act, which is through right-of-way acquisition, the environmental impact statement completed, the design and engineering down to final design, ready to go to bid, provided the money was available.

Is that essentially the process that Iowa has used and that other States have used?

Ms. RICHARDSON. Yes.

Of course, there were other criteria that we paid attention to. For example, economically distressed areas and making sure we identified those, and we tried to overlay that on our selection process as well as making sure that we had a good blend of projects geographically, urban and rural. I think all States paid attention to those things. They were in the bill.

We are very fortunate in Iowa that the process we traditionally use, that we were able to use for the Recovery Act, is one that is very collaborative with our local partners—the metropolitan planning organizations and the regional planning agencies. We already work in concert with them, and they help identify projects. We try to have a little bit more local input into helping to define some of the projects. That process serves us very well, and it was what, I thought, helped Iowa really jump the gun and get going very quickly because we had already talked with those local partners. They had helped identify priority projects.

We had all of ours at the State level, and that meant that we had that priority list of projects ready to go when you passed the bill. We would be in the same situation before. We have already done that. In case there is another stimulus, we have made sure we have got that priority list all ready to go.

Mr. OBERSTAR. That is wonderful. That is very encouraging. Of every State DOT director I have to talked to—and I have had conversations with at least half, maybe more than half—30 of them are in the same situation.

Mr. Miller, prior to the stimulus funding, what was the average age of your fleet?

Mr. MILLER. Chairman Oberstar, like all of the systems, I have had a very old fleet. I think the average was somewhere around 9 years, with the typical bus lasting 12. We are just very thankful for the stimulus dollars, because, with those, combined with the annual appropriations, our regular Federal dollars, we were able to buy, in this one order that is arriving this month, a sixth of our fleet or replace about 80 percent of our buses that were over their useful life. It has been fantastic.

Mr. OBERSTAR. Do those new buses provide more passenger capacity?

Mr. MILLER. Not necessarily more passenger capacity, but they break down on the side of the highway, which affects our——

Mr. OBERSTAR. Better reliability.

Mr. MILLER. They break down, certainly, one-fifth as often or they cost half as much to maintain as those older buses. So, yes, they are a real boon to our system.

Mr. OBERSTAR. So, just as on the highway side where we are replacing pavement and are making a better ride and drive for people, on the transit side, there is better equipment, a lower cost to operate, and a longer service life for the equipment.

Mr. MILLER. Not to mention the environmental benefits, the cleaner engines—and we even have the hybrid bus. So the newer buses are beneficial in that area, too.

Mr. OBERSTAR. Terrific. Thank you.

Mr. Wright, does the future of funding give you concern—that is, what I cited a moment ago about the general contractors being concerned that the private sector investments are not recovering as all would have liked and the funding continuing and perhaps even winding down from some of the stimulus by the middle of summer. What is the outlook from the contractor's side, from the ARTBA side?

Mr. WRIGHT. It is exactly like what you described earlier. My company's balance of private versus public work has gone from 50/50 to probably 80/20 now, you know, 80 percent being public work. The short term with the Federal Transportation bill not being—you know, being extended and extended and extended, you know, it gives us no faith or no belief that the workload is there. So we have not bought any equipment in the last couple of years.

You know, our capital investment is just down dramatically. It has gone from the ability to plan your work, looking ahead, to just reactionary to what was absolutely required. When you have a 6-month extension, it is hard to go make a 6-year investment.

Mr. OBERSTAR. That has Caterpillar worried, and it has the other equipment manufacturers concerned.

It is a matter of concern and an astonishment to me that this time last year the United States had developed a new export product—used construction equipment. We were filling up containers, shipping backhoes and D-4 and D-8 cats and front-end loaders to China and India where they were making investments in their stimulus programs.

China has committed 9 percent of its gross domestic product to stimulus, $540 billion limited to highway, port, airport, rail, and wastewater treatment projects. They are on track to complete an 820-mile rail line from Beijing to Shanghai, which is the distance from Boston to Richmond on the East Coast of the United States—822 miles. You will be able to travel that distance in 4 hours with 220-mile-an-hour, steel-on-steel passenger rail. They have made the investment in it, and this time next year there will be full ridership. That is between two megalopolises of 12 million people in Beijing and 16 million in Shanghai.

The European community has committed $1.4 trillion over a 20-year period to upgrade its aviation, water, passenger rail, and highway infrastructure, including building a canal to link the North Sea to the Black Sea. That is 2,000 miles across the heart of Europe to move goods more efficiently and more effectively with less of an environmental impact and at a lower cost to shippers and consumers.

We are just falling behind. Their plan includes an additional 7,200 miles of high-speed passenger rail line in Europe. President Obama put up $8 billion for passenger rail in this country, but it is a drop in the bucket compared to what the European community is doing in addition to their already extensive and successful program. So here we come back to the point: Other countries have made these investments. They are stimulating their economies. They are having great short-term as well as long-term investment impacts.

Now, you mentioned your concern about buying equipment. What amortization period do you have to look at as a contractor for, you know, these pieces of equipment that I mentioned that are not inexpensive? You don't just buy it on your credit card. You have got to figure out how you are going to pay for that long term, right?

Mr. WRIGHT. You don't put a $1 million crane on your credit card. We amortize most of our stuff on about 60 months, so it is approximately the life of the highway bill.

Mr. OBERSTAR. Very interesting. So you really want to see a longer-term investment and greater stability and a continuity of funding?

Mr. WRIGHT. Absolutely, sir.

Just this week, there was a conversation in my office about should we buy two machines or should we rent them. We only have 90 days' worth of work for them. It is hard to make a 5-year commitment to that process when you cannot see any further than that. With an appropriate bill in place, you would at least believe you would have the opportunity to compete for a market that you know is there, that would give you the faith to go ahead and pull the trigger, for lack of a better way of saying it.

Mr. OBERSTAR. What we have seen also in this stimulus period is that bids have been coming in 25 percent below original design estimates because there is so much competition in the marketplace and materials costs even have dropped in the U.S. during this recession period. Was that your experience as well?

Mr. WRIGHT. Yes, sir, it is. There seems to be three to four times as many bidders on projects as people move from the private sector back to the public sector in their bidding process; and margins are very, very low.

Mr. OBERSTAR. Now, Ms. de Rugy.

[conversing in French.]

Well, thank you very much for——

Ms. DE RUGY. I am not sure my mom is as happy about this, but——

Mr. OBERSTAR. We will translate this later for the reporters.

President Sarkozy will be in the United States shortly. He, too, had a [French] Of $47 billion euros, which is roughly $60 billion, and their recovery plan has created jobs, has stimulated the economy, and has moved France ahead. But you make a good deal of reference in your testimony about party affiliation and political variables. You must be talking about something other than the programs of our Committee.

Ms. DE RUGY. The way I looked at the numbers, I only—I mean, I only used the data from Recovery.org, and I compared them to other publicly available data, government data, and then I ran regressions. The spending that I am talking about covers, you know, some of the transportation money. So $10 billion exactly of that data that I looked at was spent through the Department of Transportation

Mr. OBERSTAR. But these correlations of party affiliation and political variables and so on would surely have to be happenstance rather than deliberate?

Ms. DE RUGY. Well, the only thing I can tell you for sure is that, when you look at the regressions, we can tell whether the district is represented by a Democrat or a Republican matters for the funding. What I cannot tell you is how much this factor has influenced the decision compared to other factors, such as the formula or the unemployment in the States, even though, actually, my findings also find that the money does not seem to be allocated, guided, by the level of unemployment in the district.

Mr. OBERSTAR. In our legislation, we specifically directed, as Ms. Richardson said, that priority be given to areas of highest unemployment as measured by the Economic Development Administration of the U.S. Department of Commerce, which has a map of the United States by county in which EDA certifies the unemployment level for each county and updates it monthly.

And we wanted those dollars to go to the areas of highest unemployment, the areas of greatest economic distress. And, secondly, we wanted an equitable distribution of dollars so that not all the money would be used up in the major metropolitan areas, such as Minneapolis-St. Paul or Chicago in Illinois or Los Angeles in California. They could consume the State's entire stimulus allocation in one major metropolitan area; that would not be right.

And State departments of transportation are the ones who have made those allocations and they have distributed the funds. And, as Ms. Richardson said, they spent a good deal of time assuring that projects went to the areas of highest unemployment.

So I would be very interested to see the backup details for your analysis.

Ms. DE RUGY. Absolutely. All the data is available for download at the Mercatus Web site exactly for that reason, because we wanted to be absolutely transparent about——

Mr. OBERSTAR. Yes.

Ms. DE RUGY. So we have put not only the data, the raw data, but also the regression that we have used and the result of the analysis.

What I can tell you is the data that we have used for unemployment—so we have used two sorts of data. The first report that we did was for the first quarter of the money allocated. We used unemployment level in the districts, and we found that there was no correlation.

The second time around, actually informed by after talking with a series of economists who just do econometrics all the time, they suggested that a better measure and a better way to assess unemployment level is to actually look at the variation of unemployment between time to actually get not only a sense of the unemployment level in absolute terms, but also how hit and hurt each given district was by the recession.

And, again, we were using Bureau of Labor Statistics and Census Bureau data. I mean, these are totally official data. And we, again, no matter what type of unemployment indicator we use, we find absolutely no correlation. In fact, if I remember correctly, the coefficient that we used make it almost look as if it was done intentionally to not, even though I know it is not the case.

But it is was quite stunning, because I assumed, considering the rationale behind the stimulus bill, that we would find a strong correlation. And we tested it many different ways. We used different methods. And you can—actually, I would be happy—you don't even have to go to our Web site. I would be happy to even, like, send it to you.

Mr. OBERSTAR. That would be very helpful.

So you did this on the basis of congressional districts?

Ms. DE RUGY. Congressional districts, yeah.

Mr. OBERSTAR. My congressional district, for example, is the size of the eastern seaboard from here to Connecticut.

Ms. DE RUGY. So we controlled for the size. That is what regression analysis do, is to control for the size.

Mr. OBERSTAR. And my district has the highest unemployment of the whole State.

Ms. DE RUGY. But this is why we do regression analysis rather than just comparing numbers, is because it controls for all the variation there could be.

Mr. OBERSTAR. And the funding in Minnesota is controlled by the department of transportation under a Republican Governor, who, if he were attempting to manipulate, would have avoided by district. But that is clearly not the case. He did not put his hand into it. He did not involve himself.

I don't know of any other States where Governors have attempted to—there is no evidence on the record that there has been any manipulation.

Ms. DE RUGY. I am absolutely not judging intent. I am just looking at facts. In fact, this report was done—and it is called "Stimulus Facts"—to provide facts about the stimulus to you, Members of Congress, so you could actually decide what is happening.

Mr. OBERSTAR. We would be concerned if there were any manipulation at the State level of these funds.

Ms. DE RUGY. My data doesn't look at intent. The only thing it looks at is results. And, again, this data is based on the data we found as reported by recipients of the awards and as posted on recovery.gov.

Mr. OBERSTAR. Thank you. It is a very interesting correlation, and I would like to receive the entire body of data.

Ms. DE RUGY. Absolutely. I would be happy.

Mr. OBERSTAR. And I will review it myself. Merci.

Ms. DE RUGY. Merci beaucoup, Mr. Chairman. I don't know how to say that——

Mr. OBERSTAR. [Speaking in French.]

Ms. DE RUGY. [Speaking in French.]

Mr. OBERSTAR. All right, after that love affair in French.

For the future of transportation funding, which has been the big obstacle in getting this bill moving, from time immemorial—that is, from 1956 forward—we have had the Federal Highway Trust Fund. In 1956, the Congress enacted a 3-cent user fee. President Eisenhower signed the bill into law. Three cents in 1956 represented 10 percent of the cost of fuel, which was 30 cents a gallon.

In 1982, President Ronald Reagan signed a 5-cent increase in the user fee. At the time, he said this 5 cents is budget-neutral; the users of the system are paying for their use of that system. And this 5 cents represents the equivalent of two shock absorbers in a year on your car.

Fast-forward to 2009, and we have the President of the United States who says, "I made a commitment in the campaign that I wouldn't raise your taxes," we have Senators who say, "We can't raise taxes in time of a recession."

But, in 1958, the Bureau of Public Roads came back to the Congress and said, "That 3 cents isn't sufficient. We need another penny increase in the user fee." Congress passed it; this House passed it on a voice vote. You can't pass the prayer on a voice vote today.

We need to revive that spirit of investment in America's future, just, as I cited a little bit ago, that the European community has committed a $1.4 trillion for their future to remain competitive in the world marketplace, as China is doing now, as Japan has done, as India is doing with their Golden Triangle, a $25 billion highway program.

And we have to move our goods more efficiently in this marketplace. Look, UPS did a survey of their operations nationwide. For every 5-minute delay their trucks experience, they lose $100 million in overtime charges, for costs for their truck drivers, in late delivery fees for their customers.

In the Minneapolis-St. Paul metropolitan area, an independent group did a survey of the cost of congestion. Among the companies studied was General Mills. They spend $692 million a year moving their Wheaties and Betty Crocker goods to market. But for every mile an hour their trucks travel below the speed limit, it costs them $2 million in overtime charges to their drivers and late delivery fees for their customers.

There is a business cost to delay. Just try, anywhere in America, to get a plumber who will be there between 8:00 and noon. Plumbing contractors told us that they used to make eight or nine calls a day; now they are doing four. That means their business is less efficient. Because they can't get through the congestion.

So we have to make these changes. We have to deliver projects more expeditiously. We have to put people to work faster. We have to get goods moving more efficiently. We do this with freight movement corridors and a whole host of investments for major metropolitan areas of the country. But we have to finance—we have to have a $450 billion investment in America's future of transportation, recommended by two independent national commissions.

So what I am proposing for consideration is an idea that I will attribute to Mr. Basso of AASHTO, who many years ago worked on this idea for AASHTO. And at the time, I said, "Jack, that won't work." I have come back to him and said, "Jack, it has to work."

It is a modification of a bonding proposal. We would direct—we, the Congress, would direct the Treasury to deposit $130 billion in bonds, Treasury bonds, into the Highway Trust Fund to be repaid with revenues from the Highway Trust Fund out into the future. And we would delay the repayment for the first, perhaps, 4 years, giving the economy time to recover, at which time we would need to increase the highway user fee, probably by 2014, 2015, and begin repaying the Treasury bonds, capital and interest, at the Treasury rate of interest. That would give us, with a baseline of the current revenues into the trust fund, $450 billion over 6 years.

Mr. Wright, what do you think about that?

Mr. WRIGHT. I think it is a wonderful idea. Let's get started.

Mr. OBERSTAR. I am hitting you cold. You haven't had time to see this or think it. But, from your perspective, a contractor, business operator, what do you think? Do you think it is a good, workable idea?

Mr. WRIGHT. It sounds workable to me, sir, yes. I would order some equipment.

Mr. OBERSTAR. Thank you.

Mr. Wharton, what do you think here? You are on the firing line.

Mr. WHARTON. Well, Chairman Oberstar, I think that it is definitely needed. As I mentioned in my testimony, we see a cliff, and unless there is a long-term solution, you know, there is going to be a lot more people looking for work and a lot of businesses closing down. So we need to act, and we need to act now.

Mr. OBERSTAR. Ms. Richardson, you are a practitioner at the State level. What do you think? Is this workable? Can you work within that framework?

Ms. RICHARDSON. Well, Chairman Oberstar, if you and Jack Basso say it is workable, I would hate to argue with either of you, the two of you together.

It certainly sounds interesting. I have not heard that discussed and haven't thought a lot about it. The idea of waiting 3 or 4 years for the economy to recover would be an appealing part of it, you know, would allow to appeal to some of the dissenters, in terms of increasing funding.

I guess one of the other questions would be, is 15 or 20 cents going to be enough? But you guys have done the math.

So I think it is very intriguing, very intriguing.

Mr. OBERSTAR. Well, this is the first time it has been discussed in an open forum. I have tried it out on small groups here and there and economists.

Ms. Fisk, Mr. Luna, what do you think about the future of transportation?

Ms. FISK. Mr. Oberstar, Chairman, I believe that transportation is the backbone of United States. The Eisenhower system, set forth back then, really put the plantation down for us. And I think we need to move forward. And I think your bill, or proposal, there actually could very well work, and I support it. Thank you.

Mr. OBERSTAR. Thank you.

And, Florentino, mi amigo, go ahead, please. Do you think we need to make this kind of investment in the future of transportation?

Mr. LUNA. Yes, it is necessary for everybody, for business.

Mr. OBERSTAR. And if you had to spend another 10 or 15 cents on gasoline every time you filled up, knowing that it makes it possible to make the investment in a transportation system that will create employment opportunities, do you think it is worth it?

Mr. LUNA. Yes, we have to.

Mr. OBERSTAR. Thank you.

Jeff Freeman, we don't fund the wastewater treatment system like we do surface transportation, but, just as a consumer of the system, what do you think?

Mr. FREEMAN. Mr. Chairman, I think it sounds like a very innovative idea. And, you know, actually, that is, tying it back to what I know more about, with the clean water revolving fund and wastewater financing, that was really—the key to the success of the program is it is an innovative and, sort of, a different approach to how financing is being done for municipal wastewater treatment, setting up these revolving funds and using then the ability to leverage money. And, you know, in that way, I think your proposal is similar. And I am all for it.

Mr. OBERSTAR. Thank you.

Madame Rugy, you are an economist, I take it.

Ms. DE RUGY. Yes.

Mr. OBERSTAR. What do you think?

Ms. DE RUGY. I think that the government doesn't have any money, and, as you have mentioned, each time the government spends money, it needs to take it somewhere in the economy. And it makes it very hard to actually measure the return, the true return on investment of the dollars invested by the government.

Fifteen cents, you know, might not seem like a lot to you, to me. This 15 cents is on top of the dramatic increase in gasoline prices that we have seen certainly in the last 10 years. So, sure, it is a marginal increase. But, more importantly, I really think that, you know, measuring the return on investment that we make is—I mean, just let me give you an example.

I mean, measuring the performance of government action by how much it spends seems to me like the wrong measure of things. Like, I can go to the grocery store and spend $100. What matters is not so much that I have spent $100, but it is what I have bought with it, right? Whether, with this, I have been able to actually buy enough food to actually feed my family, and not just with junk but with things that are actually good for them.

And I feel very often in all the conversations that go on is that unfortunately the performance of the government is measured more by how much it spends than compared to how much it produces. Even when we talk about how many jobs were created, not to mention that it is extremely hard to actually measure, as I have said in my oral testimony, but very often these measures are very arbitrary, and they don't really quite look at how much economic growth has been produced. So, for instance, you can spend government dollars to create a job to dig a hole and create another job to fill this hole. Has this created economic growth? Maybe. Maybe not.

And I think it would be—you have talked a lot about accountability. It would be very, very, very important to actually think very, very hard about how we can better measure the return on government dollars, our dollars. Because, again, for the government to be able to spend money, it needs to either tax it, borrow it, or print it. And all of these things have consequences for us who live in America.

Mr. OBERSTAR. In the surface transportation program, however, as in our aviation program we have an Aviation Trust Fund, we have the Highway Trust Fund. The revenues collected at the gas pump do not go into the general Treasury of the Federal Government, they are deposited into the Highway Trust Fund, and the U.S. Treasury pays interest on those revenues deposited in the trust fund, and they are allocated and reserved only for highway and transit funding according to the formulas set forth by the Congress.

In 1956 our gross domestic product was $345 billion. Today it is $13 trillion. In 1956 there was one car per household. That car drove on average 6,000 miles a year. Today we have, on average, three cars per household that are driving 15,000 miles each. We had 1 million trucks in America in 1956. We have over 7 million trucks on our highways today.

Our economy depends on mobility, on movement of people and goods. The Interstate Highway System and the National Highway System that which the Interstate is now included, have been the fundamental reasons for which our economy has expanded at the rate that it has grown.

And we can track these figures with the annual reports of the Texas Transportation Institute that measures the cost of congestion. In the 75 major metropolitan areas of this country, congestion last year cost those metropolitan areas $86 billion. People are spending a week longer in their cars than they would if they could drive at posted highway speeds. They are buying four and five tanks of gasoline more than they would if they could drive at posted highway speeds. They are also experiencing higher maintenance costs on their vehicles because the road surface is in such poor condition that they are buying more shock absorbers and more tires and more other equipment for their vehicles.

Where we improve the roadway, where we make it more efficient and safer and save lives, we are improving our economy. The Highway Trust Fund is different from other government investments is what I am saying, and so with the aviation program.

Ms. DE RUGY. Can I add something?

Mr. OBERSTAR. Yes.

Ms. DE RUGY. I am not a transportation expert, but I have read a lot of reports about transportation funding. And I remember in particular a pretty groundbreaking report produced by the Urban Institute in 2004, I believe, where they actually looked at the economic literature on transportation spending and acknowledged that for a very, very long—in fact, economists agreed that investments in transportation was essential to economic growth for exactly the reason that you have talked about it, and that it had become not clear at all anymore. We seemed to have hit a threshold.

However, maybe there are other ways to do everything you want to do, such as actually making the consumer pay more of the cost of the roads they are using. For instance, I will give you an example in France. The A-14 highway, which is a privately owned highway in Paris, that goes out on the west to Rouen and Caen and all these, it is privately funded and it has a fee; and it actually makes a profit and has actually allowed massive decongestion of the Parisian highway system, in particular on Fridays and weekends, Sunday, when people want to come in and out of the city.

So maybe there is something to be said to actually look at France for this. And this is not a government solution. Obviously it was facilitated by the government that allowed, but it was privately—it is privately owned and it is actually working. Obviously a choice is given to people to pay that fee which is pretty expensive, but what it does. It actually allows to reduce the congestion on other roads. And that is where my expertise ends.

Mr. OBERSTAR. Same with the bridge in the south of France to Spain, massive, I have seen the video of the building of that beautiful structure, massive structure, but that was funded by tolls. Toll system.

Ms. DE RUGY. So maybe you have to look outside of the way——

Mr. OBERSTAR. In fact we do that in this bill. We provide in our program for metropolitan mobility and access an array of funds for those 75 major metropolitan areas of the country who have the worst congestion, to use tax credit bonds, tax-exempt bonds, public-private partnerships, design-build authority, congestion pricing, tolling, but only for new capacity, not tolling existing roadways that have already been paid for by the users, and provide those metropolitan areas new financial tolling, new financial capabilities, as I said, and include tolling as you have suggested, because those are unique situations.

But we are not going to allow tolling of the Interstate Highway System. It has already been built and paid for.

Ms. DE RUGY. I was talking about something else.

Mr. OBERSTAR. Yes. New capacity that is also a need that we have.

Ms. DE RUGY. It is also possible that if you allow—if there is a profit to be made—and I believe that in cities that are very highly congested there is a gigantic profit to be made by a private developer—that they would make it independent of government bonds or incentives and that would save taxpayers' money.

Mr. OBERSTAR. The California legislature approved a toll authority for a private contractor under bidding process to build, as they proposed, two lanes of highway, California 90. The tolling company won the bid. They built 20 miles of this roadway and set the tolls, but few people used it. The tolling company was on the verge of bankruptcy.

The State, however, was experiencing increasing congestion on the adjoining State highways with rising fatalities and injuries. So the State proposed to build two additional lanes of freeway in that corridor. The tolling authority sued the State because they had provision in the State legislative authorizing bill for exclusivity in the corridor, no competition from any other source. The State of California wound up acquiring the tolling authority and building two additional lane miles of roadway and retired the tolls and continued the roadway. So not in all situations does tolling succeed. But there is an appropriate place for it in the future of transportation and we provide for it in this legislation.

Ms. DE RUGY. Maybe the fact that this private company was guaranteed no competition had to do—led to actually this company not to do the best job it could.

Mr. OBERSTAR. No. The tolls were too high. That was the conclusion.

Mr. Miller, for the future of transportation, we provided funding in this bill. Mr. Cummings asked you the question, What happens when the authority to use capital account moneys for operating expense—in our legislation, we provide authority for up to 10 percent of your capital account for smaller systems to use in their operating account and only 5 percent for the larger systems. There is considerable tension within the transit community over that provision.

What do you, what thoughts do you have, not necessarily percentage, but what is the balance, what is the proper balance here between operating account and capital account?

Mr. MILLER. Well, Mr. Oberstar, it certainly is a challenging question for transit because, as you know, most of the smaller systems who have the ability to use all of their Federal funds for operations, at least all of—most of the smaller systems in Iowa under 200,000 do use all of their money to offset local funding. Des Moines is an area over 200,000, so we cannot use our regular funds for operations, only capital, and we are saving jobs with the great ability to use 10 percent of our stimulus dollars.

Moving forward, certainly again, like some of the other folks have testified, there is a cliff; these are one-time funding and we are not sure exactly how we are going to be able to handle it moving forward. We would certainly be supportive of a limited ability to use some of our Federal funds for options in another stimulus bill should that become available or longer term.

Mr. OBERSTAR. This is part of the tension within our surface transportation program. At the beginning of the year, the first 15 years of the Interstate Highway Program, the Federal funds were provided for capital account for construction. Only in the late, or only in the mid-seventies did Interstate maintenance become a category of funding.

The principle was the Federal Government from with the Highway Trust Fund would provide 90 percent of the cost of building this new system of roadways—divided, access controlled, superhighways—and the States would then maintain it. But as the Interstate aged—and it is 1 percent of the highway mileage of the entire United States, it carries 26 percent of the traffic, of the vehicle miles traveled, go on our Interstate—it began to wear down.

And, reluctantly, the Congress provided a limited amount of funding for Interstate maintenance that eventually grew to larger numbers as, on average, 15 percent of the Interstate needs to be rebuilt almost every year in order to keep pace with the growing demands on the system and the deterioration of the bridges. Half of the bridges of this country were built in the 1960s with Interstate Highway funds.

So similarly with the transit. The original concept was Federal partnership with transit agencies would be to provide the capital to acquire the equipment, and the local entity would maintain it, and generally that was a 50/50 proposition. In some cases it is a little bit higher.

We are moving into—we are now firmly in the post- Interstate era of transportation. We are in an intermodal era, long overdue, but now thinking intermodally, and so it is appropriate I think to provide some Federal—some level of Federal funding for transit operations. But we are still— it is still an open question of just how much that should be.

We have set some goals in this legislation, but that will be a continuing dialogue. So I urge you and APTA to think more about that subject matter and help us move forward.

Mr. MILLER. Yes. As I mentioned in my testimony, when I was out at public meetings these last few months, talking about our service reductions we were going to have to make because of the drop in the economy, it was a very tough question to answer: Why are you buying buses and spending all this capital money and why can't you save my route?

And it is a tough question to answer to anybody, to explain that that is how we have to do it. So yes, as we are moving forward, I think there needs to be a balance.

Mr. OBERSTAR. Exactly. In the stimulus we thought long and hard about that issue. And Bev Scott, the director of the Atlanta system, says it doesn't make sense, on the one hand, for you to provide us funds to buy new buses and for us, on the other hand, to lay off drivers of existing buses in the system. So give us some flexibility to keep the existing system operating as well as replace our fleet and make it more more efficient and reduce our cost of operation.

Well, all of you have been very thoughtful and very contributory in your responses and you have helped shape a view of the stimulus up to this point.

My judgment is, it is doing what we intended; 1,200,000 jobs created, and more to come; 35,000 lane miles of highway improvement improved; 1,200 bridges restored, replaced, rebuilt; over 10,000 transit vehicles acquired. That has created jobs in the production sector building those buses, building those rail cars. And we are seeing the effects all reverberate throughout our economy. We need to sustain it. We need to continue it. And I thank all of you who have made your contributions.

Madam de Rugy, [speaking in French] And everyone else, you only get it in English. Thank you very much for your testimony. Keep up your great work, each in your respective ways.

For those who are on the front lines, Ms. Fisk, Mr. Luna, keep driving, keep building.

The Committee is adjourned.

[Whereupon, at 2:10 p.m., the committee was adjourned.]

**OPENING STATEMENT OF**
**THE HONORABLE RUSS CARNAHAN (MO-03)**
**HOUSE TRANSPORTATION AND INFRASTRUCTURE COMMITTEE**

**Hearing on**
**Recovery Act: Progress Report for Highway, Transit, and Wastewater Infrastructure Formula Investments**

**March 26, 2010**

Chairman Oberstar and Ranking Member Mica, thank you for holding this hearing to examine the progress on implementing the American Recovery and Reinvestment Act and specifically programs under the Committee's jurisdiction.

Since the beginning of the recession in December 2007, the construction sector has lost close to two million jobs, which is the highest of any industrial sector. The Recovery Act invested approximately $38 billion in our aging infrastructure. To date 12,545 infrastructure projects are underway across the country, which have created or sustained 350,000 direct jobs. Total employment, including direct, indirect, and induced jobs, reaches nearly 1.2 million jobs. In my home state of Missouri, approximately 714,702 job hours have been created or sustained in the transportation sector with the Recovery Act investment.

In addition to creating and sustaining family-wage jobs in the construction sector, the Recovery Act has taken steps to address our country's long-term infrastructure needs. Specifically, in my home state of Missouri this critical funding has enabled 1,415 miles to be improved and nineteen bridges to be replaced or improved.

I was especially happy to see the American Recovery and Reinvestment Act included a historic investment to develop a nationwide program of high-speed rail intercity passenger rail service. This grant funding secured by Missouri will allow them to make critical improvements to the rail line between St. Louis and Kansas City so that rail travel between our two largest cities is a viable transportation option.

In closing, I want to thank our witnesses for joining us today and I look forward to your testimony.

Russ Carnahan

**OPENING STATEMENT OF REP. STEVE COHEN**

The Full Committee on Transportation and Infrastructure

Steve Cohen

"Recovery Act: Progress Report for Highway, Transit, and Wastewater Infrastructure Formula Investments"

March 26, 2010

I am pleased to be here today to hear testimony from our distinguished guests about the progress and success of the Recovery Act.

The Recovery Act has had a significant impact on communities throughout the country and in my district of Memphis, Tennessee. Thousands of Americans have maintained their jobs and thousands more have gone back to work for the first time in years. The Recovery Act has made a crucial down payment on repairing our crumbling infrastructure but much more work needs to be done. This problem became all too real for Memphians this week as antiquated infrastructure in my district failed and caused the busiest interstate in the city to come to a screeching halt. On Wednesday afternoon a sinkhole began forming in the middle of I-240 due to a failure in a water line buried under the expressway. Over the next 24 hours, the sinkhole grew to more than 16 feet deep and 20 feet wide. Fortunately and remarkably nobody was seriously injured, but commerce throughout the city and region was severely disrupted.

As a nation, we can no longer afford to use transportation infrastructure without investing in its future. We need another jobs bill that has a major transportation infrastructure component. And we need to pass a long term surface transportation authorization that creates a transportation system for the 21st Century. The Recovery Act made a great start, but we must do more.

I would like to thank the witnesses for attending this important hearing today. I look forward to hearing about the implementation of the Recovery Act and the progress it has made stimulating the economy and improving the nation's transportation infrastructure.

# OPENING STATEMENT BY REPRESENTATIVE HARE

**HEARING: "Recovery Act: Progress Report for Highway, Transit, and Wastewater Infrastructure Formula Investments"**

**March 26, 2010**

Chairman Oberstar and Ranking Member Mica, I thank you for holding this important hearing today and assuring transparency on how the landmark American Recovery and Reinvestment Act is being implemented.

This distinguished Committee is responsible for overseeing over $38 billion of taxpayer funds that were included in the Recovery Act dedicated to improving the infrastructure and the transportation systems in this country. This Committee has continually met to review the ways that this funding has been used and to ensure transparency. I can say with confidence that the Recovery Act's transportation dollars have been well spent throughout my home state of Illinois. I look forward to additional oversight hearings that will continue to show the progress that has been made as a direct result of this Congress's work in rebuilding our infrastructure. I am proud of the fine work that this Committee is doing in pursuing due diligence and performing Congressional oversight on behalf of the American people.

This morning's topic is particularly important to me and the constituents of the 17th District of Illinois. Like many areas of this country, the 17th District has a long list of infrastructure repairs that are waiting to be made. The Recovery Act began the process of addressing those needs in a large way and I believe they've been done in a transparent manner that has put many of my constituents back to work. I especially look forward to hearing the panel report to this Committee on how funds from the Recovery Act are being used to make the much-needed repairs and upgrades to bridges. For example, the 17th District shares the functionally obsolete I-74 bridge with our friends in Bettendorf, Iowa. It is projects like this that are of critical importance and have received important investments via the Recovery Act and ensure both the safety of our constituents and the smooth flow of commerce across state lines. The I-74 bridge, like many other roadways and bridges across the nation need further federal investment and to that end, I am especially eager to hear what the panel has to say about further competitive funding opportunities, similar to the Department of Transportation's TIGER Grants, to invest in our infrastructure.

It is with the success of the Recovery Act in generating economic activity within my state and across this nation in mind that I join with Chairman Oberstar in once again calling for a long-term surface transportation reauthorization bill. A long-term reauthorization will build upon the success of the Recovery Act and will continue to address the infrastructure needs of this country. Again, I thank Chairman Oberstar for his leadership and thank him for calling this important oversight hearing today in order to ensure that taxpayer dollars are being spent wisely.

Harry E. Mitchell

Statement of Rep. Harry Mitchell
House Transportation and Infrastructure Committee
3/26/10

Thank you, Mr. Chairman.

The American Recovery and Reinvestment Act, H.R. 1, is making important investments in transportation and infrastructure, and today we will review its progress.

As of February 28, 2010 $33.4 billion has been put out to bid on 16,360 projects. 14,475 of these projects are under contract, for a total of $29.6 billion. Furthermore, across the nation, work has commenced on 12,545 highway and transit projects, totaling $26.7 billion, which represents 71 percent of the available highway and transit funds. 4,238 of these projects have been completed.

Arizona is continuing to receive Recovery Funds, many of which are being invested in planned highway, bridge, transit, and other shovel ready infrastructure projects. As of February 28, 2010, more than $442 million in Recovery funds had been invested in projects that are already underway. Approximately $447 million had been invested in projects that were already under contract. In addition, another $486 million were associated with projects that had been put out to bid.

When combined with the tax cuts and other relief contained in the Recovery Act, these investments are creating jobs and economic activity.

I look forward to hearing more from our witnesses on the current implementation and progress of the American Recovery and Reinvestment Act.

I yield back.

James L. Oberstar

STATEMENT OF
THE HONORABLE JAMES L. OBERSTAR
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
HEARING ON "RECOVERY ACT: PROGRESS REPORT FOR
HIGHWAY, TRANSIT, AND WASTEWATER INFRASTRUCTURE FORMULA INVESTMENTS"
MARCH 26, 2010

Last February, Congress passed and the President signed into law the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) (Recovery Act). Since then, 12,545 highway, transit, and wastewater infrastructure projects have broken ground all across the country, totaling $26.7 billion -- that is 70 percent of the total available formula funds. Within this total, work has been completed on 4,238 projects, totaling $3.6 billion. Every Recovery Act dollar available under the Clean Water program is now under contract. Furthermore, all States and public transit agencies have obligated 100 percent of their Recovery Act highway and transit formula funds.

These 12,545 projects have created or sustained nearly 350,000 direct, on-project jobs. Total employment from these highway, transit, and wastewater infrastructure projects, which includes direct, indirect, and induced jobs, reaches almost 1.2 million. Direct job creation from these projects has resulted in:

- Payroll expenditures of $1.8 billion;
- Federal taxes paid totaling $376 million; and
- Unemployment checks avoided worth $296 million.

While the Recovery Act has positively impacted millions of Americans across the country and ushered the nation towards economic recovery, Congress needs to take additional action to offset the continued rise in construction unemployment, the collapse of the private construction market, and State budget crises that limit States' ability to finance highway and transit projects. The House took action in December by passing the "Jobs for Main Street Act of 2010", which provides an additional $39 billion for programs under the Committee's jurisdiction. I urge the Senate to take action now to provide increased investments for ready-to-go highway and transit projects.

Against this backdrop, I scheduled this oversight hearing to first hear from Joyce Fisk and Florentino Esparza Luna, two construction workers whose jobs were saved because of the Recovery Act. They are the human face of recovery. There are people all across the country, like Joyce and Florentino, whose lives have improved because Congress chose to act. We will also hear today from State and local officials, along with supply chain companies, who are implementing programs receiving funding under the Act.

The successful implementation of the Recovery Act highway, transit, and wastewater investments adds force to the calls for additional infrastructure funding. As of February 28, 2010:

- 16,360 highway, transit, and wastewater infrastructure projects in all 50 States, five Territories, and the District of Columbia have been put out to bid totaling $33.4 billion (88 percent of the total available formula funds for highway, transit, and wastewater infrastructure projects);
- Fifty States, five Territories, and the District of Columbia have signed contracts for 14,475 projects totaling $29.6 billion (78 percent);
- Work has begun on 12,545 projects in 50 States, four Territories, and the District of Columbia totaling $26.7 billion (71 percent); and
- Work has been completed on 4,238 projects totaling $3.6 billion in 48 States and the District of Columbia (10 percent).

Monitoring the percentage of allocated funds associated with projects out to bid, under contract, underway, and completed helps us measure the Recovery Act's progress. Critics of the Recovery Act focus exclusively on the amount of outlays of Federal transportation funds. This approach does not provide a good sense of Recovery Act progress because transportation projects primarily operate on a reimbursement mode. For example, States seek reimbursement for highway projects after construction is underway. Federal outlays, therefore, come months after jobs are created and necessary infrastructure projects have begun.

These 12,545 projects have created or sustained nearly 350,000 direct, on-project jobs. Just as important as direct, on-project jobs, are indirect and induced jobs in the supply chain that have resulted from Recovery Act investments. Indirect jobs include jobs at companies that produce construction materials such as steel, sand, gravel, cement, and asphalt, or manufacture equipment such as new transit buses. Total employment from these highway, transit, and wastewater infrastructure projects, which includes direct, indirect, and induced jobs, reaches almost 1.2 million.

The Recovery Act investments are also improving our nation's highways, bridge, public transit, and wastewater infrastructure systems. The Federal Highway Administration (FHWA) reports that highway and bridge investments will result in 34,438 miles of road improvement and 1,262 bridge improvements. The Federal Transit Authority (FTA) reports that transit investments will result in the purchase or rehabilitation of 10,561 vehicles and 613 rail cars or locomotives as well as the construction or rehabilitation of 2,325 passenger and 202 maintenance facilities. The Environmental Protection Agency (EPA) reports that wastewater infrastructure investments will result in 375 projects totaling $1.1 billion to improve publicly owned treatment works, that impact 60 million people (almost one-third of the U.S. population currently served by sewers).

In addition to these formula programs, the Recovery Act also included funding for many other infrastructure investments within the Committee's jurisdiction. Of the total $64.1 billion provided for transportation and infrastructure programs under the Recovery Act, which includes the formula investments described above, Federal, State, and local agencies administering programs within the Committee's jurisdiction have announced 18,978 transportation and other infrastructure projects totaling $62.5 billion, as of March 12, 2010. This amount represents 98 percent of the total available funds. Within this total, Federal agencies, States, and their local partners have obligated $48.1 billion for 18,561 projects, representing 75 percent of the available funds.

- Amtrak has started work on 141 projects totaling $1.1 billion (83 percent of the available Amtrak funds);
- Amtrak investments will result in the replacement of 80,000 concrete ties, the restoration to service of 60 Amfleet cars, 21 Superliners, and 15 locomotives, and the improvement of 270 stations;
- The Federal Aviation Administration (FAA) has initiated or completed work on 663 projects totaling $1.2 billion (94 percent);
- Aviation investments will result in 155 runway improvement projects at 139 airports that accommodate 11 million annual takeoffs/landings, and 82 taxiway improvement projects at 78 airports that accommodate 8.1 million annual takeoffs/landings;
- The Environmental Protection Agency (EPA) has awarded $582 million for 57 Superfund construction projects and four design projects at 51 sites (100 percent). Of these projects, work has begun or is completed on 45 projects totaling $502 million (84 percent);
- The U.S. Army Corps of Engineers has committed $3.1 billion for 780 projects (68 percent);
- Corps investments will result in navigation repair or improvement to 284 locks or commercial ports, 1,124 dam or levee safety projects, and maintenance or upgrade of 460 recreation areas;
- The General Services Administration (GSA) has awarded contracts and begun work on 383 projects worth $2.4 billion (43 percent);

- The Economic Development Administration (EDA) has awarded 68 grants totaling $147 million (100 percent) and has broken ground on 34 of these projects totaling $70 million (48 percent); and

- Under the Coast Guard's Alteration of Bridges program, contracts have been awarded and work has begun on three of the four planned bridge projects totaling $81 million (57 percent).

Although the Recovery Act has counteracted the increase in construction unemployment, Congress must continue to focus on job creation. Additional funding for highway and transit projects will immediately create and sustain needed employment.

I am pleased with the progress that has been made since enactment of the Recovery Act. I look forward to hearing the testimony of today's witnesses and discussing what is being done to ensure that Recovery Act funds will continue to create good, family-wage jobs as quickly as possible, and learning how we can build upon these efforts to ensure that we continue to put Americans back to work.

MERCATUS CENTER
GEORGE MASON UNIVERSITY

**Stimulus Facts**

TESTIMONY

Veronique de Rugy[1], Senior Research Fellow
The Mercatus Center at George Mason University

Before the House Committee Transportation and Infrastructure, Hearing entitled, "The Recovery Act: Progress Report for Highway, Transit, and Wastewater Infrastructure Formula Investments"

11:00 a.m. on Friday, March 26, 2010
2167 Rayburn House Office Building

Good morning Chairman Oberstar, Ranking Member Mica and distinguished Members of the Committee. I am pleased to be here today to report on my analysis of the disbursement of funds authorized through the American Recovery and Reinvestment Act of 2009. Using recipient report data from Recovery.gov and economic and political data from the Bureau of Labor Statistics, the Census Bureau, GovTrack.us, and others, we have compiled a series of facts about stimulus spending. Our interest is simply to make use of the tens of thousands of stimulus recipient reports recently published on Recovery.gov, and to put the aggregate information contained in those reports in a larger context. We hope that this report will become part of a regular series as new recipient reports are released each quarter.

The information presented here encompass the data from calendar year 2009 Q4 (FY 2010 Q1) reports of Recovery Act contracts and grants only. More information about our methodology is provided at the end of this document. Additionally, the complete dataset used for this report is available for download at www.Mercatus.org.

**Basic Facts**

A total of 65,084 contracts and grants totaling $170 billion were awarded in this second quarter for which Recovery.gov reports are available. That's only an additional $13.6 billion reported received this quarter over the previous one, roughly $1 billion awarded each week.

[1] The author would like to thank Dan Rothschild and Jakina Debnam for their invaluable help compiling and analyzing the data.

The number of jobs claimed as created or saved during this period is 597,153 for the entire $170 billion expenditure—an average of $285,814.61 per job. The total number of jobs claimed shrunk from 693,000. It is important to understand this point. The total number of jobs claimed to have been created by the entire stimulus fell overall, not just in the last quarter. This apparent job destruction may have to do with the changes the White House made on how to count jobs.

The total amount awarded to public entities (such as municipalities and state agencies) is $93 billion. However, it is still the case that some of this money may have ultimately found its way to private subgrantees or subcontractors. The total amount awarded to private contractors and grantees is $78 billion. While public entities received 42% of the number of all awards, these awards constituted over half of the dollars awarded (55%). In other words, public entities are receiving fewer contracts than private (27,230 vs. 37,854), but there is a higher average dollar value on the public awards ($3,417,412 vs. $2,050,484).

**Party Affiliation**

For our analysis, we looked at the 435 congressional districts in the United States plus the District of Columbia, but excluded Puerto Rico and foreign stimulus recipients such as Canada and the US Virgin Islands. The average number of awards per district is 148, and the average dollar amount awarded per district is $385,932,979.

In the United States there are 177 districts represented by a Republican and 259 represented by a Democrat. On average, Democratic districts received 1.53 times the amount of awards that Republicans were granted. The average number of awards per Republican district is 112, while the average number of awards per Democratic district is 171.

Democratic districts also received 2.65 times the amount of stimulus dollars that Republican districts received $122 billion vs. $46 billion). Republican districts also received smaller awards on average. The average dollars awarded per Republican district is $26 million, while the average dollars awarded per Democratic district is about $472 million. In total, Democratic districts received 73% of the total stimulus funds awarded and Republican districts received 27% of the total amount awarded.

**Other Political Variables**

We checked for correlation (see tables 1, 2) and computed the predictive power of political and economic indicators on stimulus fund allocation (see table 4).

A regression analysis (ordinary least squares) was used to determine whether either political factors (Republican or Democrat) or economic indicators (e.g. unemployment in a district) could predict the amount of stimulus funds distribute to a district. To estimate the influence of those two variable, we included the district representative's political party, tenure in office, leadership position, membership on the appropriations committee, as well as for the change in district's unemployment from 2007 to 2008 (the last year with available unemployment data per district), mean income (i.e., the average income of a given wage earner in the district), and the percentage of employed persons working in the construction sector in 2008, finds that a district's representation by a Republican decreases the stimulus funds awarded to it by 41.7%. This result underscores the findings from the previous Stimulus Facts report.

This effect is statistically significant at the $p < .004$ level. (See regression table at end of document.) The regression analysis does not seek to explain (nor does it explain) precisely how funds were allocated (our R-squared = .05). That would require a more complete dataset than has been used for these results. That is, we wanted to know how much political and economic factors could explain the distribution of funds. That is different from saying we want to know all of the factors that control distribution of the funds. We do not have that data nor is it particularly interesting for our purposes. We have confidence we know how much influence these two variables have, although we do not know how other factors influence the decisions. In our political calculation,
We find that there is a slight effect on the amount of stimulus funds allocated based on whether a district voted for John McCain or Barack Obama in the 2008 presidential election.

Concretely, while $109 billion has been allocated to congressional districts that voted for President Obama (or 65% of the total amount allocated), $59 billion (or 35%) have been allocated to congressional districts that voted for McCain. It should be noted, however, that there were many more congressional districts that voted for Obama than voted for McCain. President Obama won 55.6% of congressional districts and McCain won 44.4% of these districts.

The districts that voted for President Obama received 40,037 awards (or 69% of the total number of awards allocated), much more than the districts that voted for candidate McCain; they received 24,483 awards (or 31% of the total number of awards).

The average awarded to marginal districts—districts with votes that did not vote overwhelmingly for one candidate or another (five percent or less difference—is $22 million. That's significantly less than the average awarded to non-marginal districts of $419 million.

Our regression analysis finds that the stimulus funds awarded to marginal district are decreased by 41%. This effect is statistically significant at the $p < .033$ level. (See regression table at end of document.) However, as with Republican representation, the regression analysis does not seek to explain (nor does it explain) precisely how funds were allocated (our R-squared = .05).

**House Leadership**

As noted earlier, the average congressional district received $386 million. In contrast, the average leadership district (defined as a district where the representative is part of the majority or minority House political leadership or is a chairman or ranking member of a committee) received $381 million.

The average amount awarded to a leadership district is fairly different depending on whether the leader is a member of the majority or the minority. The amount awarded to average majority leadership district is $351 million while the amount awarded to average minority leadership district is $412 million.

Notice that counter-intuitively, only the amounts awarded to the majority leader are less than the amount awarded to the average district and the average non-leadership district, which is $387 million. This is also true of the dollar amount of stimulus money given to the average member of the House Appropriations Committee ($390 million) and given to the district of the Chairman on the House Appropriations Committee Dave Obey ($52 million).

Finally, on average, 148 contracts or grants were awarded to each congressional district. The number of awards to the average leadership district is 135, the number of awards to average majority leadership district is 169, and the number of awards to average minority leadership district is 101. The average non-leadership district received 150 awards, which is more than the number of awards to the average leadership district.

To sum up our results on political variables, we find that there is a slight positive correlation between the percentage of the district that voted for President Obama and the amount of stimulus funding that a district received. This weak correlation (correlation = .172) may however be coincidental (see table 3, Figure F).

Also, our results find no statistically significant effect of legislator's tenure, membership on House Appropriations Committee or leadership position on stimulus funds allocated while seem to be a small negative effect of Republican representation on stimulus fund allocation, this underscores the findings from the previous Stimulus Facts report.

**Economic Indicators**

We checked the correlation (see tables 1, 2 at the end of the document) and computed the predictive power of economic indicators on stimulus fund allocation (see table 3). The scatter plots below reveal that overall there is no correlation between economic indicators and stimulus funding (see figures A-D). To confirm the lack of correlation we ran a statistical correlation test (Table 2) to check for correlation between economic indicators and the stimulus fund allocation. It confirmed the scattered plot results.

*Unemployment*

Controlling for the percentage each district that was employed in the construction sector, and the median income of the congressional district, we find that the variation in the unemployment rate has no statistical correlation with the allocation of stimulus funding.

I used the variation in unemployment in the construction industry as a proxy for the concentration of recession-vulnerable employment in a district.

Figure A: Scatter plot of the logarithm of stimulus funding, Unemployment change from 2007 to 2008

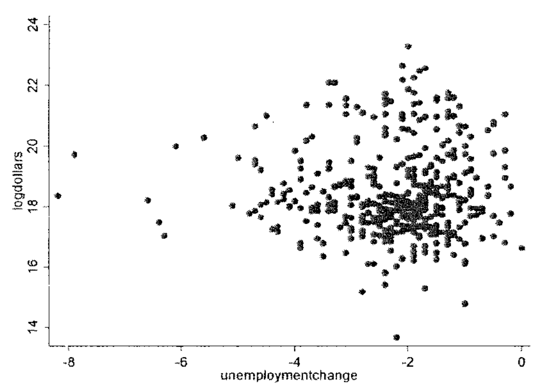



Figure B: Scatter plot of the logarithm of stimulus funding, construction employment as a percentage of total employment as of December 2008

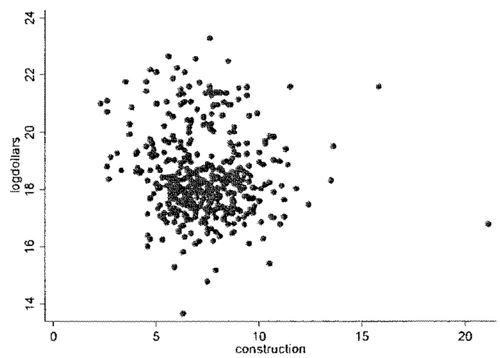



Figure C: Scatter plot of the logarithm of stimulus funding, congressional district mean income

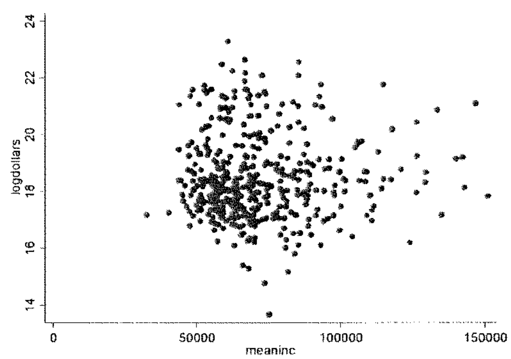



Figure D: Scatter plot of the logarithm of stimulus funding, congressional district median income

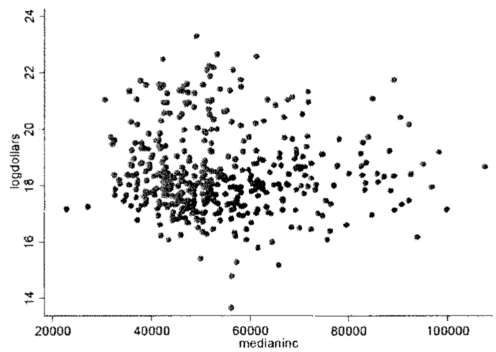



Figure E: Scatter plot of the logarithm of stimulus funding, tenure of the representative of the congressional district

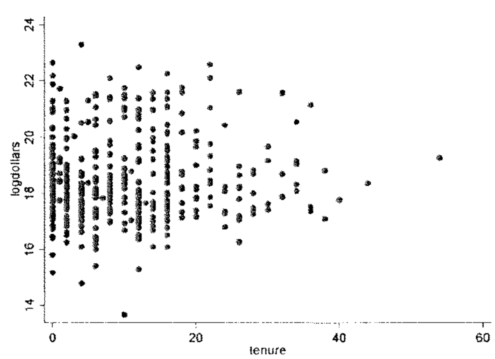
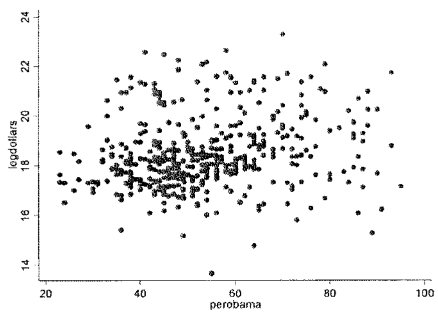



Figure F: Scatter plot of the logarithm of stimulus funding, percentage of district that voted for candidate Obama in 2008 presidential election




*Income*

Awards were also coded for Metropolitan Statistical Area's (MSA) based on their ZIP code. MSAs are large geographical units with an urban center for which the Census Bureau and other agencies compile data. Chicago-Naperville-Joliet, IL-IN-WI, for example, is an MSA.

Using per capita income data from the Bureau of Economic Analysis, we divided each MSA into quintiles. Each quintile represents 20%, or one fifth, of all incomes in that MSA. As a result, the top quintile (Q1) represents the highest income MSA, and the bottom quintile (Q5) represents the MSA with the lowest income.

| Q1 | Q2 | Q3 | Q4 | Q5 |
|---|---|---|---|---|
| $39,383<Income | $35,803<Income<=$39,383 | $32,753<Income<=$35,803 | $30,137<Income<=$32,753 | Income<=$30,137 |

Based on the data, we looked at whether the allocations were affected by how high- or how low-income the MSA was. Based on the total MSA, 39% of the stimulus funds were allocated to the highest income MSAs and only 1% to the lowest quintile. However, using per capita expenditures in MSAs, the highest quintile received fewer dollars ($447 per person) than the lowest quintile received ($1,163 per person.) Thus, while high income MSAs received more money than low income MSAs, they also had more people and the result was more money going to low-income people per capita. See the tables below.

| | MSA with high income in **(Q1)** | MSA with low income **(Q5)** |
|---|---|---|
| Stimulus Received | $62 billion | $2.4 billion |
| Percentage of Total Stimulus Received | 39% | 1% |
| Stimulus Received per Capita | $447 | $1,163 |
| Average Stimulus per MSA | $846 million | $32 million |

We also checked whether the stimulus allocation was affected based by another measure of income (average income, below average income.)

| | MSA with **above** average income | MSA with **below** average income |
|---|---|---|
| Stimulus Received | $124 billion | $33 billion |
| Percentage of Total Stimulus Received | 78.65% | 21.35% |
| Stimulus Received per Capita | $654 | $527 |
| Average Stimulus per MSA | $807 million | $162 million |

As we can see in the above table, MSAs with income above average received 79 percent of the stimulus funds. MSAs with income below average received only 21 percent of stimulus. However, when we looked for the amount of dollars per capita received the difference was significantly reduced. That's because MSAs with income above average are more populated than MSAs with income below average.

****Report 1 to Report 2 Comparison Statistics****

We also wanted to see how or if the stimulus funds allocation changed between our first report and our second.

*Change from R1 to R2*
Difference in stimulus allocation by income broken down between above and below average.

| | MSA with **above** average income | MSA with **below** average income |
|---|---|---|
| Stimulus Received | +$10 billion | +$2,2 billion |
| Percentage of Total Stimulus Received | +0.3% | -0.3% |
| Stimulus Received per Capita | +$53 | +$34 |
| Average Stimulus per MSA | +$65 million | +$11 million |

*Change from R1 to R2*

Differences in stimulus allocation (by top quintile income, lowest quintile income)

| Q1 | Q2 | Q3 | Q4 | Q5 |
|---|---|---|---|---|
| $39,383<Income | $35,803<Income<=$39,383 | $32,753<Income<=$35,803 | $30,137<Income<=$32,753 | Income<=$30,137 |

| | MSA with income in **Q1** | MSA with income in **Q5** |
|---|---|---|
| Stimulus Received | +$6 billion | +$273 million |
| Percentage of Total Stimulus | +0.8% | -0.4% |

| | | |
|---|---|---|
| Received | | |
| Stimulus Received per Capita | +$44 | +$135 |
| Average Stimulus per MSA | +$83 million | +$3.7 million |

**Methodology**

Our methodology is the same as the one we use for our last report, with a few exceptions. First, we would like to note that the Recovery Accountability and Transparency Board has changed the way it defines a year. Previously, the data was broken down in fiscal year quarters, with the year ending on September 30th 2009 and the last quarter going from July 1st to September 30th. Now the data is broken down in calendar year quarters. With this methodology, the data that goes from October 1st to December 31st 2009 is also the last quarter of 2009. This is the reason why both our reports mention being an analysis of the 4th quarter of 2009 data.

As for our previous report, we downloaded all 2009 Q4 recipient reports for contracts and grants from the official Recovery.gov website.[2] These are self-reports submitted by the recipients of stimulus contracts and grants. We did not include loans because we are only interested in transfer payments. We removed all sub-awards from our combined dataset because they simply add up to the primary awards. Our resulting dataset is a list of every primary contract and grant reported with their corresponding attributes. Attributes include recipient names and addresses, amounts received, jobs claimed, congressional district, etc.

Each award in the source data has two addresses associated with it: the award recipient's address and the place of performance address. These are the same most of the time, but in some cases, they are not. For example, a pipe manufacturer in Florida might have received a contract for a pipe to be used in New York. We chose to only use the award recipient address for our analysis because we are interested in the political economy of the awards, i.e. who receives the payment.

Every award has a recipient state and congressional district associated with it. Almost every state also has awards that are associated with a district "ZZ." Recovery.gov explains, "The code 'ZZ' appears in the congressional district field as a placeholder if a recipient reported an incorrect or invalid congressional district. The recipient will correct the congressional district during the next reporting period, beginning January 1, 2010." We corrected every erroneous district in our dataset by looking up the correct district number based on the recipient's ZIP+4 code.[3]

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[2] http://www.recovery.gov/FAQ/Pages/DownLoadCenter.aspx,
http://download.recovery.gov/recipient/2009_Q4/All_ContractsFY09Q4.xls.zip,
http://download.recovery.gov/recipient/2009_Q4/All_GrantsFY09Q4.xls.zip

[3] We used GovTrack.us's district finding tool at http://www.govtrack.us/congress/findyourreps.xpd

Every award has a North American Industrial Classification System code associated with it.[4] These codes represent the recipient's industry relevant to the contract. For example, the code 237110 represents "Water and Sewer Line and Related Structures Construction." All codes above 920000 represent "Public Administration," i.e. some government entity. We coded all awards with a code of 920000 and above as "public" and all awards with a code below 920000 as "private."

We coded every award as Republican or Democratic based on the current representation of its associated district.[5] Awards are also coded as leadership or not. We assign the leadership code if the member from an award recipient district is part of the majority or minority House political leadership, or a chairman or ranking member of a committee. We also coded each award with whether the member from the district sits on the appropriations committee.

We coded each award as being in an Obama or McCain district based on which candidate received the most votes in the last presidential election in its recipient district.[6] We also coded each award as being in a marginal district or not. We defined marginal districts as those where the percentage difference between McCain and Obama was five percent or less.

We also coded each award with its corresponding MSA based on the recipient's ZIP+4 code using a lookup table.[7] This allowed us to use MSA population data from the Census Bureau,[8] and MSA per capita income data from the Bureau of Economic Analysis.[9]

Our dataset includes awards made to recipients in U.S. territories and foreign countries.[10] Awards to these locales total $2.4 billion or just 1.41% of the total represented by all awards. Because we are interested in the political economy of the awards, we exclude these from most of our questions and use only the data for the 50 states plus the District of Columbia.

With that data, we ran a series of regression analyses using Stata, a widely used statistical software package. Regression analysis is a statistical tool that helps understand the relationships between variables. Regression analysis is what helps to identify the causal effect of one variable, and one variable alone, upon another—for example, the effect of

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[4] http://www.naics.com/search.htm

[5] We used GovTrack.us to find the representative of each district, their party affiliation, and their committee membership.

[6] We used 2008 presidential election results by district compiled by SwingStateProject.com. It in turn used official local government sources for its data.
http://www.swingstateproject.com/showDiary.do;jsessionid=88ADE21A3CEBD0E4D1E763AE531686E0?diaryId=4161

[7] http://www.msa-zip.com/download.php?file=msa-zip-table.zip

[8] http://www.census.gov/popest/metro/metro.html

[9] http://www.bea.gov/newsreleases/regional/mpi/mpi_newsrelease.htm

[10] Alberta, Canada; Puerto Rico; Guam; The Marshall Islands; Northern Mariana Islands; Palau; The Virgin Islands; American Samoa; Ontario, Canada; and four awards to "OTH," which we take to mean "other."

the unemployment level in a district upon the allocation of stimulus fund in that district, for example, or the effect of party affiliation upon the that same allocation of resources.

To explore such issues, we assembled data on the underlying variables of interest (in this case, party leadership, affiliation, variation in unemployment level, or income level and distribution). In order to avoid omitted variable bias, we pulled the economic indicators from the *2008 U.S. Census Bureau American Community Survey 1-Year Estimates.*[11] Then, we checked for correlation and computed the predictive power of economic indicators on stimulus fund allocation.

It is important to note that in this report we have changed the way we account for unemployment. Instead of using the unemployment rate by district, we have used as a proxy for the impact of the recession in a district the change in the unemployment rate in each district between 2007 and 2008. 2008 is the last year of the unemployment rate per district available at this point. Using change in unemployment rate allows us to check whether the relative deterioration in unemployment in a district can account of the allocation of stimulus funds as the rationale behind the bill would suggest.

Also, in this report we have used the natural logarithm dollars in our regression rather than untreated dollars. It offers a more accurate measure of the effects we were looking for.

We found no correlation between economic indicators and stimulus funding. Preliminary results find no effect of unemployment, median income, or mean income on stimulus funds allocation.

Then, we checked for the correlation between political indicators and stimulus funding. With the exception of the district's party affiliation (whether the district's representation was Republican or Democratic,) we found no effect of political variables on stimulus funds allocation.

Next, we used regression analysis to estimate the quantitative effect of the causal variables upon the variable that they influence. For example, when we found that the party affiliation had a causal effect of the allocation of stimulus funds, we looked for how much party affiliation mattered. The quantitative effects that we estimated are based on our model specification such that with a more completely specified model, these effects would likely change. Thus, more confidence should be placed on the relationship between the two variables (i.e., a causal factor exists) then on the quantification of that relationship.

Also, we assessed the "statistical significance" of the estimated relationships. That is, the degree of confidence that the true relationship is close to the estimated relationship. In other words, we assessed how likely we were to be correct. In all cases, we established that we had 10 out of 10 chances of being right.

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[11] http://www.census.gov/acs/www/Products/users_guide/2008/index.htm

Table 1

```
. correlate unemploymentchange medianinc construction
(obs=436)
```

| | unempl~e | median~c | constr~n |
|---|---|---|---|
| unemployme~e | 1.0000 | | |
| medianinc | 0.3055 | 1.0000 | |
| construction | 0.0815 | -0.1808 | 1.0000 |

Table 2

```
. correlate  num_contracts tenure leadership perobama permccain appropriations
> unemploymentchange construction  medianinc
(obs=436)
```

| | num_co~s | tenure | leader~p | perobama | permcc~n | approp~s | unempl~e |
|---|---|---|---|---|---|---|---|
| num_contra~s | 1.0000 | | | | | | |
| tenure | 0.0791 | 1.0000 | | | | | |
| leadership | -0.0293 | 0.4185 | 1.0000 | | | | |
| perobama | 0.1832 | 0.1575 | 0.0160 | 1.0000 | | | |
| permccain | -0.1878 | -0.1561 | -0.0150 | -0.9980 | 1.0000 | | |
| appropriat~s | 0.0481 | 0.1990 | -0.0602 | 0.0043 | -0.0070 | 1.0000 | |
| unemployme~e | 0.0470 | -0.1207 | -0.0735 | -0.0991 | 0.0914 | -0.1395 | 1.0000 |
| construction | -0.1357 | -0.0889 | -0.0223 | -0.3217 | 0.3208 | -0.0100 | 0.0815 |
| medianinc | -0.1019 | -0.0254 | -0.0119 | 0.0465 | -0.0490 | -0.0395 | 0.3055 |

| | constr~n | median~c |
|---|---|---|
| construction | 1.0000 | |
| medianinc | -0.1808 | 1.0000 |

Table 3

```
. regress  logdollars construction medianinc unemploymentchange
```

| Source | SS | df | MS |
|---|---|---|---|
| Model | 10.0199913 | 3 | 3.3399971 |
| Residual | 922.29534 | 432 | 2.13494292 |
| Total | 932.315332 | 435 | 2.14325364 |

| | | |
|---|---|---|
| Number of obs | = | 436 |
| F( 3, 432) | = | 1.56 |
| Prob > F | = | 0.1973 |
| R-squared | = | 0.0107 |
| Adj R-squared | = | 0.0039 |
| Root MSE | = | 1.4611 |

| logdollars | Coef. | Std. Err. | t | P>\|t\| | [95% Conf. | Interval] |
|---|---|---|---|---|---|---|
| construction | -.0764318 | .037091 | -2.06 | 0.040 | -.149333 | -.0035306 |
| medianinc | -5.80e-06 | 5.28e-06 | -1.10 | 0.273 | -.0000162 | 4.58e-06 |
| unemployme~e | .0355758 | .0654062 | 0.54 | 0.587 | -.0929782 | .1641297 |
| _cons | 19.41382 | .5040802 | 38.51 | 0.000 | 18.42307 | 20.40458 |

Table 4

```
. regress  logdollars tenure republican leadership marginaly appropriations cons
> truction meaninc unemploymentchange
```

| Source | SS | df | MS |
|---|---|---|---|
| Model | 40.8015174 | 8 | 5.10018968 |
| Residual | 891.513814 | 427 | 2.08785437 |
| Total | 932.315332 | 435 | 2.14325364 |

| | |
|---|---|
| Number of obs = | 436 |
| F( 8, 427) = | 2.44 |
| Prob > F = | 0.0136 |
| R-squared = | 0.0438 |
| Adj R-squared = | 0.0258 |
| Root MSE = | 1.4449 |

| logdollars | Coef. | Std. Err. | t | P>\|t\| | [95% Conf. | Interval] |
|---|---|---|---|---|---|---|
| tenure | .0044335 | .0085295 | 0.52 | 0.603 | -.0123315 | .0211984 |
| republican | -.4170345 | .1446577 | -2.88 | 0.004 | -.7013642 | -.1327048 |
| leadership | .020326 | .2440436 | 0.08 | 0.934 | -.4593503 | .5000023 |
| marginaly | -.410256 | .191429 | -2.14 | 0.033 | -.7865164 | -.0339956 |
| appropriat~s | .1398873 | .2094507 | 0.67 | 0.505 | -.2717954 | .5515699 |
| construction | -.0465739 | .0376972 | -1.24 | 0.217 | -.120669 | .0275212 |
| meaninc | 6.98e-07 | 3.84e-06 | 0.18 | 0.856 | -6.85e-06 | 8.25e-06 |
| unemployme~e | .0436887 | .0656452 | 0.67 | 0.506 | -.0853393 | .1727167 |
| _cons | 19.01751 | .5087458 | 37.38 | 0.000 | 18.01756 | 20.01747 |

Regression Variable Definitions

| | |
|---|---|
| "state" | String variable; state where congressional district is located |
| "district" | District number within the state |
| "dollars" | Stimulus dollars awarded to the congressional district |
| "jobs" | Jobs reported as saved or created |
| "num_contracts" | Number of contracts awarded to that congressional district |
| "member" | Representative of the district |
| "since" | Year in which the "member" began to represent that district |
| "tenure" | Difference between 2009 and "since" |
| "republican" | Dummy variable; republican=1 if "member" is a Republican, republican=0 if not |
| "leadership" | Dummy variable; leadership=1 if "member" is part of the majority or minority House political leadership or is a chairman or ranking member of a committee, leadership=0 if not |
| "perobama" | Percentage of votes won by candidate Obama within the congressional district in the 2008 presidential election |
| "permccain" | Percentage of votes won by candidate McCain within the congressional district in the 2008 presidential election |
| "difference" | The difference between "perobama" and "permccain"; the margin of victory within the congressional district in the 2008 presidential elections |
| "marginaly" | Dummy variable; marginaly=1 if the congressional district was decided by a margin of less than or equal to 5% of votes, marginaly=0 if not |
| "obamawin" | Dummy variable; obamawin=1 if Obama won the district in |

| | |
|---|---|
| | the 2008 presidential elections, obamawin=0 if not |
| "demlead" | Dummy variable; demlead=1 if the congressional district's representative is a member of Democratic Party leadership, demlead=0 if not |
| "goplead" | Dummy variable; goplead=1 if the congressional district's representative is a member of Republican Party leadership, goplead=0 if not |
| "appropriations" | Dummy variable; appropriations=1 if the congressional district's representative is a member of the House Appropriations Committee |
| "unemployment" | Percentage of the civilian labor force over the age of 16 that was unemployed as of December 2008 |
| "unemploymentchange" | Percentage of the civilian labor force over the age of 16 that was unemployed as of December 2007 less the percentage of the civilian labor force over the age of 16 that was unemployed as of December 2008 |
| "construction" | Percentage of the civilian labor force over the age of 16 employed in the construction industry |
| "manufacturing" | Percentage of the civilian labor force over the age of 16 employed in the manufacturing industry |
| "medianinc" | Median household income (dollars) as estimated by the U.S. Census Bureau |
| "meaninc" | Mean household income (dollars) as estimated by the U.S. Census Bureau |

Thank you again for the opportunity to testify before this Committee. I look forward to answering your questions.

KNIFE RIVER CORPORATION
AN MDU RESOURCES COMPANY

# STATEMENT OF
# JOYCE K. FISK, TRUCK DRIVER
# KNIFE RIVER CORPORATION

## REGARDING
## RECOVERY ACT: PROGRESS REPORT FOR HIGHWAY, TRANSIT, AND WASTEWATER INFRASTRUCTURE FORMULA INVESTMENTS

## BEFORE THE
## COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

## U.S. HOUSE OF REPRESENTATIVES

**March 26, 2010**

Ladies and Gentleman of the Committee,

My name is Joyce Fisk. I am 35 years old and the mother of a 12-year-old boy named Austin, and my husband Gene Fisk is a volunteer firefighter and first responder in our community. I drive a belly-dump, tractor-trailer truck and he drives a dump truck for Knife River Corporation's North Central Region in Minnesota. I have worked for Knife River since July of 2002. I live in Almelund, Minn., a small town located 10 miles east of North Branch, and 10 miles west of Taylors Falls, near the Wisconsin border.

I first met Congressman Oberstar while working on the Interstate 35 project near North Branch. This project began in July 2009, and was completed in October. I was absolutely thrilled that Mr. Oberstar took the time to come see firsthand the job in progress. He took the time to talk to someone like me, just a truck driver--the average worker in America--thankful to have a job. At that time, he talked to me about the new bill he was working on and the progress it was making. I didn't have long to chat. The visit was quick but it made me more aware of the need for a long-term Federal Highway Reauthorization bill. I went home that evening and personally wrote a quick e-mail thanking him for taking time to visit with me and for taking time to see his hard work in action.

Driving sounds like an easy job. As a belly-dump truck driver I am responsible for transporting materials to and from a job site. I usually haul road base materials, haul millings away from the job when we do road tear outs and deliver bituminous mix to a paver. There are many different stages involved in the making or repair of the road and each part requires many people with different skills.

I not only drive the trucks, but I am expected to help maintain them. I grease every moving part possible to keep it moving freely, I check the oil daily, crawl in the engine compartment and get down and dirty on the ground to check for cracks in my truck's frame. I also set my own brakes, change my own lights and even make some small repairs if I break down on the road.

I travel many roads and drive nearly 500 or more miles on any given day. Driving an 80,000-pound truck is not easy. I must constantly be alert for traffic hazards, other drivers, animals, potholes, and drive all day hoping to not get tired. I like to work close to home but that is not always possible. Sometimes we are not so lucky to have a job as close as the I-35 stimulus-funded job this past summer. It's a challenge to work away from home. I have to stay the night in a hotel and find family members to watch Austin. It's stressful not knowing from day to day what job you will be on next.
A greater challenge is trying to forecast what will happen next season when the snow melts. I get laid off every winter, usually around Thanksgiving when the ground starts to freeze. I generally am

recalled in May after road restrictions are lifted. Last year was the first time Gene and I panicked when we heard that the plant I work out of only had 10,000 tons of hot-mix and no bids were being won. He and I started to wonder what we were going to do if something didn't come in soon. There was not enough work for the summer.

The questions we asked ourselves were pretty basic. What can we afford to give up? Are both of us qualified to get a different job that could sustain the household? What about health care premiums? Austin has ADHD and needs medication to control it. Austin also would have to give up his saxophone. I remember what it was like to give up a musical instrument. I once had an electric guitar, but my mom had to sell it because we needed the money. As I mentioned previously, driving is not easy. Now add the stress of not knowing if you will have a job, and suddenly safety behind the wheel of that truck becomes a concern.

We decided to sell the pickup we were making payments on. The newest vehicle we own is an 8-year-old Pontiac Grand Prix with 163,000 miles on it. We figured it was cheaper to make the repairs as they come instead of making a truck payment. We were preparing for a long summer consisting of no work. The year 2008 was hard on our industry. Close friends at other companies lost their jobs and we witnessed firsthand what can happen in the blink of an eye.

Until last year, I took my job for granted. I work for a large corporation and there was no way we could lose. We had pride and a large work force of knowledgeable men and women who care about the community. We relied on each other and provided moral support. But, when there were no jobs to bid on, and the state was not letting new work because of economic uncertainty and no long-term plan for federal funding, I watched morale fall. Attitudes became increasingly bad, and it was difficult to stay optimistic. We started disagreeing with each other about who should be getting hours and it made work stressful.

As for health care, throughout the construction season we bank hours. For every hour we work, one hour is added to our health care coverage bank. We work long hours for seven months to try and bank the 600 hours needed to qualify for full health care coverage when we are laid off. Each month during layoff season we use 100 hours of what we could bank as a qualifier. Then instead of the money coming from a paycheck, we must come up with a pre-set amount to continue the coverage. When those 600 hours run out we are offered insurance through the COBRA act. If we wouldn't have worked on the I-35 stimulus-funded job I am most certain I would already be paying the enormous COBRA insurance premium. We can't afford to pay that and our mortgage on unemployment benefits.

Then we received the best news. Our plant estimator won the bid on the I-35 project. We were relieved. That stimulus-funded project was the heartbeat of a newfound source of happiness for me and my co-workers. I had faith in the economy again.

I feel the impact in more than one way. My husband Gene has been with Knife River for 14 years. He is the main bread winner and wants to make sure his family is taken care of. While we do whatever it takes to support each other, he still feels it is his duty to make sure we have food and a home. Overall, he wants his family to feel safe. Gene worked on the I-35 project more than I did. However, we all have our purpose and the amount of work is sometimes decided by the size of the truck. My brother-in-law, who drives a belly-dump truck, also worked on the I-35 stimulus-funded job.

There are many Minnesota roads in serious condition. As I mentioned, I travel up to 500 miles in one day. I cover a lot of ground and can tell you firsthand that we are in desperate need of repairs throughout the state. Many state highways are in such poor condition, it is not safe to driver a tractor-trailer on them. The county I live in has so many roads in disarray that we travel out of the way to avoid them.

Congress must get serious about a federal highway reauthorization bill that will make a big impact for years to come. We need a long-term dedicated bill that will allow small companies the chance to rebuild. We need to support these companies so they can grow to provide real jobs that will last.

Short-term bills are great for sustaining and keeping a few companies afloat. A six-year dedication of funds for American transportation and infrastructure will give confidence back to workers and companies. A new funding bill can ease congestion in big cities and on heavily traveled highways. Providing funding for light-rail transit can save time and money and help clean up our environment.

Without future funding, I don't see manufacturers selling new equipment. There will be no new companies in our communities starting up and offering new jobs. Road construction is constant and there will always be a need for repairs. Let's end the band-aid approach and start a trend that is going to offer real jobs that are going to last more than a summer or two.

Thank you for your time and attention.

**Jeff Freeman**

**Deputy Director, Minnesota Public Facilities Authority**

**Member, Council of Infrastructure Financing Authorities**

**Committee on Transportation and Infrastructure**

Mr. Chairman and Members of the Committee:

My name is Jeff Freeman. I am the Deputy Director of the Minnesota Public Facilities Authority. Thank you for the opportunity to come before you today to talk about our Clean Water State Revolving Fund program and our experience with the funding provided under the American Recovery and Reinvestment Act of 2009.

The Minnesota Public Facilities Authority is a multi-agency infrastructure financing authority that manages the Clean Water State Revolving Fund, the Drinking Water State Revolving Fund, a State Infrastructure Bank for transportation projects, and several other infrastructure financing programs. Our largest program is the Clean Water State Revolving Fund which has proven to be an extremely effective and efficient tool to help local governments make needed improvements to their clean water infrastructure.

Since 1989 Minnesota has received $577 million in federal capitalization grants, added $150 million in state funds, and leveraged those funds with our own AAA rated revenue bonds to finance $2.4 billion in clean water projects throughout the state. Those low-interest loans have saved cities and their taxpayers over $530 million in interest charges. This financing has helped local governments rehab and replace aging wastewater treatment plants, upgrade systems to meet new standards to clean up impaired waters, rehab sewer collection systems, construct new interceptors, and address non-point source pollution through a variety of best management practices.

The Minnesota Public Facilities Authority also administers several other state funded programs that provide \$20-\$25 million per year to local governments for specific types of clean water infrastructure needs, including helping to address serious affordability problems and provide additional treatment to restore impaired waters. We also work closely with other federal and state agencies, and play a lead role in coordinating multiple funding sources and targeting available funds to the highest priority needs.

The enactment of the American Recovery and Reinvestment Act (ARRA) in February 2009 provided badly needed capital but also created significant challenges for State Revolving Fund programs. The specific provisions attached to the ARRA funds required EPA and each state to develop and implement new processes and procedures within a very short period of time. In Minnesota there was a flurry of activity over a two month period from February to April as we developed legislation to establish the state's funding criteria and procedures (which passed in near-record time, less than 30 days from introduction to being signed by the governor), held public meetings and published notices to explain how the funding would work, amended our Intended Use Plans to add additional projects, developed new financing contracts and guidance documents needed to implement the ARRA requirements, worked with cities and our partners at the Minnesota Pollution Control Agency to get projects approved and ready for construction, and submitted our formal applications to EPA for the funds. On June 8, 2009 we received official notice that the funds had been awarded, and by June 25th virtually all of the Clean Water ARRA funds had been reserved for projects that were approved, bid and under construction. Formal loan agreements were executed over the next few months.

Minnesota share of ARRA funds for the Clean Water State Revolving Fund program was $82,564,000, including $10.5 million that we transferred from the ARRA allocation for the Drinking Water State Revolving Fund due to the greater needs and larger number of projects ready to proceed on the clean water side. We awarded $44.7 million as principal forgiveness and $17.5 million for "green infrastructure" projects for energy and water efficiency improvements.

Our strategy for the ARRA funds focused on using the principal forgiveness in three ways, with an emphasis on providing incentives to get projects moving quickly. First, we offered 20% principal forgiveness up to $2 million on a first come, first serve basis to eligible projects on our Intended Use Plan that received all technical approvals, opened bids and submitted their as-bid costs. Second, we offered principal forgiveness up to $4 million to provide additional subsidy to specific projects based on affordability criteria. Finally, we provided 25% principal forgiveness up to $2 million for the portion of project costs that met the eligibility requirements for green infrastructure.

To get the biggest impact and fund the most projects with the ARRA funds, we leveraged those funds with over $100 million in non-ARRA Clean Water SRF loans to finance 25 separate projects for a total investment of $182 million. To date we have expended over 62% of our ARRA clean water funds. Our job reports to date show that the combined investment of ARRA and non-ARRA clean water funds has resulted in a total of 295,000 job hours and a total payroll of $11.7 million. These are direct on-site jobs. We know that these projects also result in a significant number of indirect job hours among material suppliers and equipment manufacturers.

The clean water ARRA funds went to a wide range of cities and projects. Sixteen projects were funded in cities under 10,000 population, four projects for cities between 10,000 and 100,000 and five projects in the Twin Cities metropolitan area. Many of the smaller projects were for rehab and replacement of badly deteriorated sewer collection systems. ARRA funds were also used for a number of larger projects involving major improvements to wastewater treatment facilities. I would like to provide a few examples of the projects that were funded.

The City of Waseca used ARRA funding for a $16 million project to improve its wastewater treatment plant and collection system, including $6 million in principal forgiveness and a $10 million loan at 2.63%. This was the highest ranking project on Minnesota's project priority list. The city's undersized system capacity lead to periodic raw sewage discharges into Clear Lake, an impaired water, and sewage backups into many homeowner's basements. The project repaired and replaced major system components, increased hydraulic capacity, improved biosolids treatment and storage, and reduced phosphorus discharges to meet the Total Maximum Daily Load requirements for the Lower Minnesota River. To prepare for the project the city increased sewer rates by 60% to an average per household cost of $55 per month, but it still would have been very difficult for the city to implement this project without the ARRA principal forgiveness funds.

The City of Duluth received ARRA funds, including $4.1 million in principal forgiveness and a loan at 1.97%, to build a $5 million wastewater overflow storage tank on the shores of Lake Superior. The four million gallon concrete tank is being built at a spot where storm event wastewater flows have often overwhelmed the sewer collection system and overflowed directly into Lake Superior. Duluth already has some of the highest sewer rates in the state for a city of its size and the ARRA funding was a big reason this project was able to proceed.

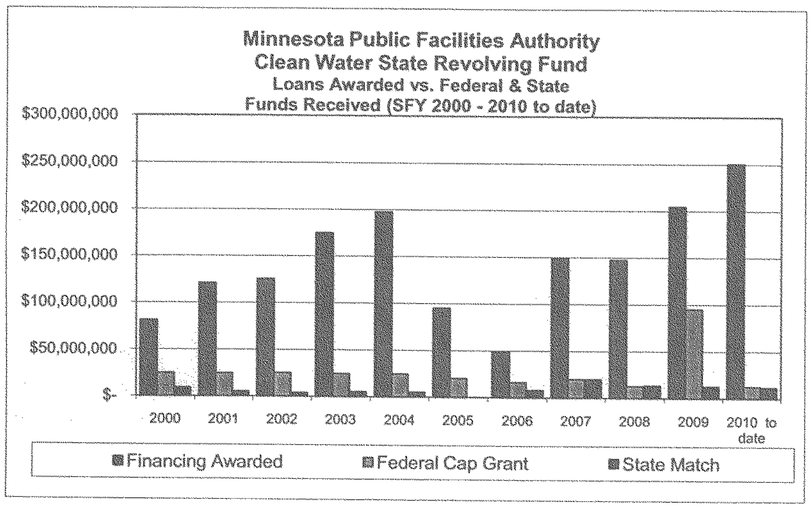
The City of Grand Rapids is constructing a $30 million project to relocate their primary treatment and solids dewatering facilities in order to consolidate operations at a single site. With the help of ARRA green infrastructure funds, including $1.7 million in principal forgiveness, the city was able to incorporate energy and water efficiency components into the design that will save 288,000 KW-hr per year of electricity and reduce potable water use by 26 million gallons per year.

There are many people in state and local government, consultants and contractors that worked incredibly hard and deserve credit for Minnesota's success in getting the ARRA funds under contract and into the economy quickly. But our experience also highlights some of the features that have made the Clean Water State Revolving Fund program so successful in general.

The Clean Water SRF program utilizes a comprehensive project priority list that identifies projects in various stages of pre-construction preparation. Minnesota's current project priority list includes 381 projects for $2.1 billion, ranked by the Minnesota Pollution Control Agency based on environmental and public health criteria. Each year, over $400 million in projects on the priority list request to be placed on the Intended Use Plan for construction funding. We know from experience that projects can often get delayed for various reasons and not all projects that plan to go to construction in a particular year will be able to. Therefore, each year we approve a larger IUP with more projects than we actually expect to fund, and we use our ability to generate additional loan dollars for the projects that are able to proceed by selling our AAA rated revenue bonds. In August 2008 the Public Facilities Authority board recognized that with the economy slowing down, it was important to give as many projects as possible an opportunity to get their projects ready for construction. Therefore the Authority approved the FY 2009 Intended Use Plan with over $380 million in loan requests, more than five times the average lending capacity of the Clean Water SRF at that time. This is a major reason why Minnesota was well prepared with a large number of shovel-ready projects when ARRA was adopted in February 2009.

In state fiscal year 2009, with the help of the ARRA funds, Minnesota funded a total of $204 million in wastewater projects through the Clean Water State Revolving Fund, our largest year ever to that point. Today we are three-fourths through state fiscal year 2010 and have already funded over $250 million in projects and will likely be close to $300 million by the end of the year. In the five years prior to 2009 our clean water loans averaged less than $130 million per year. This illustrates the ongoing impact of the ARRA funds on our lending capacity, and the continuing strong demand for capital from Minnesota municipalities looking to address their infrastructure needs in a climate of stabilized material costs, strong competition among contractors and low interest rates.

Significant clean water infrastructure needs remain in Minnesota as in other states. The latest survey conducted by the Minnesota Pollution Control Agency identifies over $4.3 billion in needs over the next 20 years. The Clean Water State Revolving Fund program has a proven track record as an effective and efficient vehicle to provide federal assistance to address these needs. The key to this success has been the nature of the State Revolving Fund model, with the federal government defining the broad objectives and some basic requirements, and then giving each state the flexibility to structure its program and use the Fund assets to best address its particular clean water needs and issues. By providing federal funding in the form of annual capitalization grants to the states, the federal monies become equity in the permanent revolving funds managed by each state. Those assets, along with state match contributions, interest earnings, and loan repayments, remain in the Fund in perpetuity, generating significant annual lending capacity from relatively small amounts of new capital. The table below illustrates this for Minnesota by showing the annual clean water loans financed over the past decade in comparison to the state and federal deposits each year.




The end users of the program are the local units of government that borrow the funds to build their projects. For the program to work for them it has to consistent and predictable. Cities need to know well in advance of bidding whether they will have access to the loan funds they need for their projects and what the administrative requirements will be. That's why we have concerns about the way new program requirements were imposed in the 2010 appropriation bill. With the differences from state to state and the ongoing, revolving nature of the Funds, requirements implemented in this fashion become very difficult and disruptive for projects in the pipeline. A comprehensive reauthorization of the program would be much preferred. I thank the Committee for its leadership on this issue and hope that reauthorization can become a reality in the near future.

Mr. Chairman and members of the Committee, thank you for your strong support of the Clean Water State Revolving Fund program and for the opportunity to come before you today to talk about Minnesota's experience. I would be happy to answer any questions.

PFA Minnesota Public Facilities Authority

May 3, 2010

Mr. Joseph Wender
House Committee on Transportation and Infrastructure
2165 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Wender:

Enclosed please find my written response to questions submitted by Congressman John L. Mica in regard to my testimony before the Transportation and Infrastructure Committee on March 26, 2010 concerning implementation of the American Recovery and Reinvestment Act of 2009. Thank you again for the opportunity to speak before the Committee. If you or members have any further questions please contact me at 651-259-7465.

Sincerely,

Jeff Freeman
Deputy Director
Minnesota Public Facilities Authority

Enclosure

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Jeff Freeman, Deputy Director, Minnesota Public Facilities Authority
May 3, 2010

Reply To Questions Submitted By Congressman John L. Mica Regarding House Committee on Transportation and Infrastructure, Hearing on "Recovery Act: Progress Report for Highway, Transit, and Wastewater Infrastructure Formula Investments", held on March 26, 2010.

1. In your testimony, you stated that low interest loans in the form of federal capitalization grants have saved your state over $530 million in interest charges. With these savings, have you increased the amount of state funding for water projects?

**Under the Clean Water State Revolving Fund, the federal capitalization grants and required 20 percent state match are used to make low interest loans to cities and other local governments that borrow the funds to construct wastewater treatment projects and make other infrastructure improvements to protect and improve water quality. Minnesota leverages those funds by selling its AAA rated revenue bonds to generate additional loan funds. Since the program began in 1989 Minnesota has leveraged the $577 million it has received in federal capitalization grants to make loans totaling $2.4 billion. The interest savings on those loans have saved the local government borrowers more than $530 million in taxes and user fees, making the infrastructure improvements affordable for their residents and taxpayers.**

2. Have you maintained your previous amount of state funding for other projects in your district, or are you using the federal grants to substitute for your state funding?

**Minnesota significantly increased funding for clean water infrastructure projects in state fiscal years 2009-2010 well beyond the $82.6 million received in federal ARRA clean water funds. In the five years prior to 2009, Minnesota averaged approximately $130 million per year in clean water loans. By comparison, in 2009 we funded $204 million and in 2010 we are on track to fund close to $300 million.**

3. Your testimony stated that the ARRA required extensive processes and procedures in order to receive funding. What kind of requirements and procedures were they, and did you find them to be unnecessary and slow down the process of getting the money toward creating projects.

**ARRA required that 50 percent of the clean water funds be provided as principal forgiveness or grants and that 20 percent be provided for "green infrastructure" projects. These requirements were new to the Clean Water State Revolving Fund and required state legislation to authorize these uses of the Fund and establish eligibility criteria. ARRA also contained federal prevailing wage and Buy American provisions that required education and training for staff, borrowers and contractors. With an exceptional effort by our staff and others, these steps did not**

**create any significant project delays. Minnesota had all its clean water ARRA funds committed to projects under construction by mid-June 2009.**

4. You said that $17.5 million was awarded towards "green infrastructure" projects. What kind of and how many jobs did this create?

**Minnesota awarded $17.5 million in "green infrastructure" funds to four wastewater projects whose projects incorporated significant energy efficiency and water conservation improvements. These projects also received $37 million in non-ARRA clean water loans. These are large construction projects that will take two to three years to complete. Job reports to date show that these four projects have created or retained a total of 36 direct full-time equivalent on-site construction jobs, including 9 jobs that would be attributable to the green infrastructure funds that have been drawn to date. In addition there would be an unknown number of indirect off-site job hours among material suppliers and equipment manufacturers.**

5. Your testimony stated that ARRA and non-ARRA clean water funds have resulted in 295,000 job hours. How many of these hours were worked by new employees?

**It is not possible to distinguish new versus retained jobs based on the job reporting data submitted to us. Contractors typically have several construction projects underway at any given time, making it difficult to say that a certain number of new jobs were created by one specific project.**

6. You said that you are concerned about program requirements imposed in the 2010 appropriations bill. Can you name any specific requirements that have postponed projects and delayed funding from being used?

**Our concerns about the 2010 appropriations bill were not with the requirements themselves but the way they were imposed in an unpredictable manner through an appropriations bill. A major strength of the Clean Water State Revolving Funds is that because they are revolving loan programs rather than grant programs, there is a steady stream of recycled loan repayments available to fund new projects. Based on these revolving assets and our established funding process, cities with high priority infrastructure project needs know that if they invest in pre-construction planning and design work, construction financing will be available when their projects are ready at predictable terms and with administrative requirements that are known well in advance. It is difficult and disruptive for projects in the pipeline when program rules are changed without warning through an appropriations bill. Each time this happens the program loses predictability, increasing the likelihood that cities will simply decide to delay their projects to wait and see what requirements the next appropriations bill might bring.**

**Furthermore, the biggest concern about the 2010 appropriation bill was the interpretation that the Davis-Bacon prevailing wage requirements applied to all**

**loans made from the Fund, including loans from state monies and recycled loan repayments from twenty years of prior federal grants that have been fully drawn and closed out years ago. Including the 2010 capitalization grant, the federal funds received by Minnesota are only about 25 percent of the total loans made. Minnesota has a state prevailing wage law that already applies to all SRF projects so while the wage rates themselves are not a significant issue, the imposition of federal requirements creates an added layer of complexity and oversight. To retroactively apply this requirement to all loans made within the fiscal year is of questionable legality and caused confusion and financing delays for at least 15 projects that had already taken bids and in some cases already started construction when the 2010 appropriation bill was adopted.**

7. You asked for a comprehensive reauthorization of the program. What changes would you like to see in the reauthorization?

**The Clean Water State Revolving Fund program has been an extremely effective and efficient tool to help local governments finance needed clean water infrastructure improvements. At its core it remains a loan program that offers its borrowers the benefit of below-market interest rates in exchange for a minimal level of burdensome requirements and red tape. Our hope is that a reauthorization of the program would build on the program strengths while preserving the fundamental features that have made the program so successful. We are very concerned that some recent adopted and proposed changes, however well intentioned, could make the program much less effective by increasing state and local administrative costs to the point where the added burden on local borrowers could exceed the benefit of the interest rate subsidy. Working with other states through the Council of Infrastructure Financing Authorities, we look forward to working with members of Congress to achieve a reauthorization of the program that will maintain the program strengths and return the degree of predictability that states and our borrowers need.**

Testimony of

Florentino Esparza Luna
5805 Kentucky Avenue
District Heights, Maryland 20747
(301) 642-8137

On behalf of the United Brotherhood of Carpenters

Before the

United States House of Representatives
Transportation and Infrastructure Committee

# "Infrastructure Spending in the Economic Stimulus"

March 26, 2010
10am
2167 Rayburn House Office Building

Thank you, Chairman Oberstar, Ranking Member Mica, and members of the Transportation and Infrastructure Committee. It is an honor to join you today.

My name is Florentino Esparza Luna. I am a resident of District Heights, Maryland, and a proud member of the United Brotherhood of Carpenters and Joiners, Local 1145, a local union within the Mid-Atlantic Regional Council of Carpenters (MARCC). MARCC covers the District of Columbia, Maryland, Virginia, and West Virginia. Local 1145 is based in Upper Marlboro, Maryland, but we work throughout the region.

My message today is simple and straightforward: The stimulus passed by this Congress and signed by President Obama provided me with the job I have now. I am living proof of job creation from the Recovery Act. The stimulus helped fund the Fairfax County Parkway project near Fort Belvoir where I work.

I appreciate being able to work for a private contractor with the federal dollars you provided in transportation. A job means so much. Nothing is more important than providing for my family.

I work for Cherry Hill Construction on the Fairfax County Parkway project in nearby Virginia. After being unemployed for over four months, I started to work on this project in December 2009.

I am a skilled carpenter. I build concrete forms and perform other carpentry work on this huge, multi-million dollar project. There are 30 carpenters working on the project now. The project is expected to employ about 150 workers in the construction trades. It will take well over a year to complete.

We're building the extension to the Fairfax County Parkway. My contractor will perform the first two phases of the work. The project involves extending the parkway, grading, draining, building a soundwall, and more. The project should make a big difference in Northern Virginia, where, as you know, traffic can be terrible.

I sincerely appreciate the support of Members of Congress who voted for the Recovery Act. You played a key role in helping me provide for my family. I have a wife and two children. It's not easy getting by on an unemployment check. I'd much rather be working, building my community's transportation system. I know that's also true for construction craft workers throughout the industry.

Construction workers are struggling. Many of the work opportunities in the residential and commercial parts of the industry dried up with the recession. About twenty-percent of the members of my local union are unemployed. Even with an unemployment rate twice the national average, my local union is doing better than the rest of the construction industry. As you know, Chairman Oberstar, the unemployment rate nationally in construction is over 27%. Too many construction workers simply cannot find work and provide for their families.

It would be a lot worse if it wasn't for the stimulus. The Recovery Act allowed me to put food on my family's table, allowed me to provide health care for myself and my family. I'm also able to put money into my retirement, so that I can retire in dignity. The Carpenters Union and my employer also invest in the future workforce by making investments in apprenticeship and training.

The Carpenters union believes not just in jobs, but in long-term careers. Unfortunately, the high unemployment rate in construction and in my union has made it difficult to find work opportunities. That's why the support from this Congress and this President in providing real jobs through the American Recovery and Reinvestment Act has been so important to me and my Brothers and Sisters at Local 1145. All construction workers hope that Congress will make more of these investments in our economy.

Thank you for the opportunity to testify today. I sincerely appreciate it.

TESTIMONY OF

**Brad Miller**
GENERAL MANAGER
DES MOINES AREA REGIONAL TRANSIT AUTHORITY
DES MOINES, IOWA

BEFORE THE

HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

ON

RECOVERY ACT: PROGRESS REPORT FOR
TRANSPORTATION INFRASTRUCTURE INVESTMENT
*******

MARCH 26, 2010

**SUBMITTED BY**

**Des Moines Area Regional Transit Authority**
**1100 DART Way**
**Des Moines, IA 50309**
**www.ridedart.org**

**American Public Transportation Association**
**1666 K Street, N.W.**
**Washington, DC 20006**
**www.apta.com**

Chairman Oberstar, Ranking Member Mica, and other members of the committee, I am honored to submit testimony regarding the Des Moines Area Regional Transit Authority (DART)'s use of funding from the American Recovery and Reinvestment Act (ARRA) which has already created jobs in central Iowa and around the country while improving the public transit industry.

DART operates approximately the 100th largest bus fleet in America, serving Iowa's capital region with a service-area population of just over 400,000. While DART and Des Moines may be somewhat smaller than some of the other transit systems your committee has heard updates from, I am pleased to report that the funds have had perhaps a greater positive impact for our 16,000 daily riders, and clearly had a profound positive impact for our regional agency.

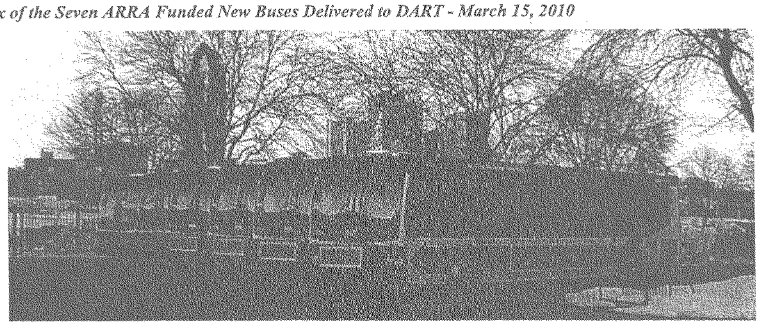
Like more than 90 percent of the other transit systems our size or larger, DART is struggling with major budget shortfalls and is implementing a fare increase and a 5 percent service reduction that would have been far worse but for the ability to use 10 percent of our ARRA funds for operating assistance.

**Money Not Just Obligated – It's Spent**

DART received $7.88 million in funding. When supplemented with other federal transit funds, the ARRA funds allowed us to purchase seven new Orion buses and implement nine other critical capital projects that had been deferred for many years. Our thanks and appreciation goes to the Federal Transit Administration (FTA) and their Region VII staff in Kansas City for rapidly executing our grants. I am pleased to report that not only has DART been awarded 100 percent of our ARRA funding and will sign contracts for 100 percent of the funds by June, but DART has already drawn down and cut checks for nearly half (47 percent) of the funds, getting these dollars into the economy and generating dozens of good jobs and improving the transportation services in Des Moines. I do not think our story is unusual either. FTA has awarded more than 99 percent of the $8.4 billion that was made available for transit under ARRA.

DART spent more than a third of its ARRA funds on bus replacements and I was thrilled to see the funded buses, as well as 13 other federally-funded buses, roll onto our property just two weeks ago. Perhaps I am even happier to have seen the auction notice posted for nearly a sixth of our existing fleet, as these buses will replace 19 of our oldest buses that were all well over their federal 12-year useful life.

*Six of the Seven ARRA Funded New Buses Delivered to DART - March 15, 2010*



The committee has no doubt heard significant testimony of the strong need for funding our country's infrastructure to achieve a "state of good repair." This policy is as true for small and mid-size transit systems as it is for our nation's aging rail systems and deteriorating bridges and highways.

*1993 DART Buses Repaced with ARRA Funds*

DART's figures show that our new buses will cost less than $20,000 in maintenance expenses (after the warranty periods have run their course) per year, versus an average of $45,000 per year for the 16-year-old buses they replace. Besides the visible pollution improvements and costs savings, new buses like these in their first five years in Des Moines go more than five times as many miles between in-service breakdowns as our oldest buses, keeping our transportation system reliable and our customers happy.

Not only did the ARRA funds benefit DART in Des Moines, but I am also pleased to report that ARRA funds supported the replacement of more than 170 smaller buses and 17 other large buses at transit systems throughout Iowa. Iowa takes great pride in its expansive network of rural transit services in all 99 counties of the state. In a few cases, ARRA allowed for replacements of 100 percent of a rural county's older fleet of vans and buses. Senior citizens and job seekers in Iowa's smaller towns like Ottumwa and Newton who rely on public transit are seeing the benefits of ARRA.

But what was good for the rural systems is also good for the state transit system as a whole. Replacing these outdated rural buses with ARRA funds allowed the state to spread its traditional statewide bus earmark (5309 federal funds) further. You can see the results at DART. While technically only seven new buses were purchased directly with ARRA funds, DART was able to purchase a total of 20 new buses with the combination of ARRA and traditional federal 5309 funds.

**Expanded/Rehab Storage Barn & Maintenance Facility**

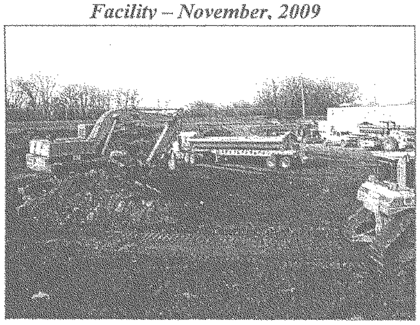
I do not need to tell this committee that transit ridership has grown steadily across the nation these past few years. However, I would like to point out that ridership in central Iowa has grown 18 percent between 2007 and 2009 – four times the national average. While furloughs and layoffs at financial businesses and state agencies in downtown Des Moines have caused ridership to drop over the past 6 months, more than half of DART's new riders are still with us. This ridership growth and expansion in suburban areas as part of our regional growth has caused us to outgrow our 30-year old operating and maintenance facility.

DART used $1 million dollars of ARRA funds, along with other federal and state funds to build an energy-efficient expansion for our bus storage facility and improve our maintenance facility. Thanks to ARRA funds, the project is the first in DART's history to incorporate mitigation for two things that happen far too often in Des Moines (as committee member Representative Leonard Boswell knows too well) – floods and snow.

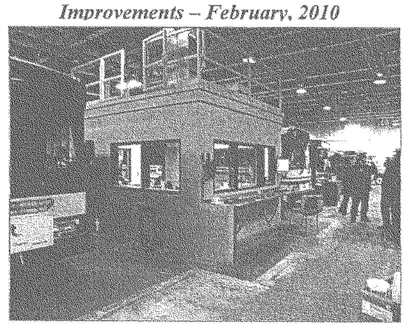
More than 80 contractors picked up plan documents back when the contract was let and 11 bids were received with even the highest bidder proposing a price 9 percent below the engineer's estimate. DART awarded the final contract, including the bid alternate to build a 25 percent larger storage building at a savings of 5 percent less than the engineer's estimate without the alternate.

As the photos below show, the interior maintenance facility work is complete and site work was well underway before the snow fell last fall. Construction is starting again next week and should be done by August. Pinnacle Construction Company of Des Moines has identified over 30 full-time jobs and more than $200,000 in construction wages and benefits that have already been created by this ARRA-funded project.

***Site work to Expand DART's Storage Facility – November, 2009***



***Completed Interior Maintenance Facility Improvements – February, 2010***



**Downtown Des Moines Sustainable Transit Hub**

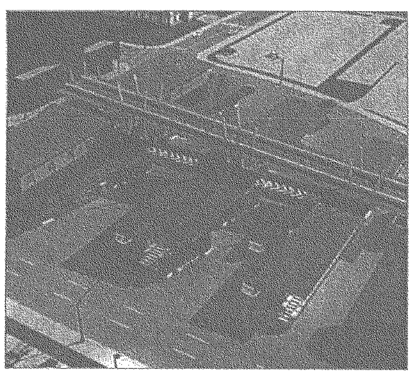
The Recovery Funds have moved DART's #1 capital project priority a step closer to construction by freeing up our other federal funds to complete the design of a LEED-Certified Transit Hub for Downtown Des Moines.

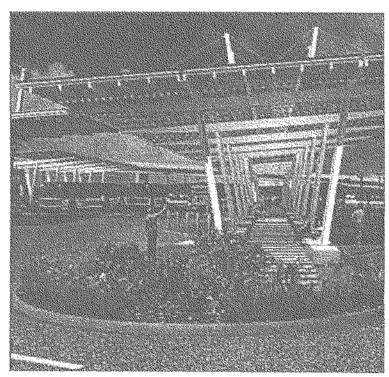
Thirty-two firms requested the RFP document and seven local Architecture and Engineering firms submitted proposals a year ago. Now the design has advanced in parallel to receiving the necessary environmental clearances and securing this strategic parcel of land – right in the heart of downtown Des Moines immediately adjacent to the railroad tracks where future Amtrak passenger rail service will hopefully soon connect Des Moines with Chicago.

In addition to being a critical multimodal transportation hub for the region, the facility will emphasize public transit's ability to preserve our environment as it is being designed to be Iowa's first "net-zero" energy use facility. And most importantly, in addition to the 200+ direct construction jobs created by the project, the facility will be a catalyst for downtown development as DART will be able to vacate its outdated transit mall along Walnut Street, the street with the densest commercial development in the state, and provide space for first floor retail and small businesses while creating job growth throughout downtown Des Moines.

The design for the Hub will now be completed with the help of $1 million in ARRA funding. Unfortunately, our project was not one of the 51 projects selected for Transportation Investment Generating Economic Recovery (TIGER) funding to complete construction. We remain hopeful that our pending Livability Grant application might be favorably received by the U.S. Department of Transportation and we otherwise will eagerly await the passage of a new transportation authorization bill where we can identify multiple years of capital funding so we can once and for all advance this decade-old project off the drawing board and create hundreds of new jobs.

*DART's Downtown Des Moines Sustainable Transit Hub*





**<u>Operating Assistance</u>**

Finally, DART is one of many transit systems to gratefully use 10 percent of our allocated ARRA funds for a one-time source of operating assistance. While not every system has chosen to use this flexibility, preliminary results from an American Public Transportation Association (APTA) survey that is now underway show that ARRA operating assistance has been tremendously helpful. At present, DART and more than 150 other transit systems have responded to the survey, including most large systems. About <u>one-third</u> of all agencies in the survey are using a portion of ARRA funding to prevent layoffs, avoid fare increases or maintain service. The full results of the APTA survey will be available in the coming weeks. Further short-term operating assistance like that proposed in the jobs bill passed by the House of Representatives last year is needed to help agencies like DART get us all through these tough economic times.

DART's short-term economic outlook continues to be troubling, as the economy has caused the decline in <u>all</u> of DART's non-federal revenue sources, but our largest non-federal source of revenue, local property taxes, has been particularly hard hit. On top of that, extraordinary accident liability expenses from 2007 and 2008 are creating cash problems in 2010 that have made our budget problems even greater. With the help of nearly $800,000 in ARRA funds for operations, along with pay reductions and furlough days for me and my non-union staff, we were able to reduce our budget gap from nearly $2 million (10 percent) to just $550,000 and save more than 30 bus operator jobs.

As the General Manager of a 150-bus system like Des Moines', it is Yours Truly that makes the presentations at public meetings and listens to the hundreds of riders who tell me they will lose their jobs if we cut their night-time or Sunday bus service. We just completed 10 such meetings three weeks ago, and I will recall a story of one woman, Ms. R. Cofield at a public meeting at the Forest Avenue library in Des Moines:

She was at the meeting with her 3-year old daughter to fight to keep the weekend bus service past the House of Mercy, a transitional residence facility where more than 40 other mothers join her in receiving substance abuse treatment. She said she and a dozen other mothers have jobs at the Qwest telecommunications call center in Downtown Des Moines and that they would lose their jobs if weekend service on DART's Route #5 was cut.

She asked the question I heard more than a dozen times at the hearings: "Why are you buying buses and building a Transit Hub when you could be saving routes?" I tried my best to explain the limits on using funds for operating versus capital expenses, but as the committee certainly knows, when transit is your lifeline to keeping your job to support your struggling family, you are not going to be easily convinced. Luckily, thanks to the allowance to use 10 percent of the ARRA funds for operating assistance, DART was able to preserve the weekend service that Ms. Cofield and many others rely on.

Certainly, the question of operating assistance is a challenging one for the Committee. Undoubtedly, many transit agencies, particularly smaller agencies such as the 16 other transit systems in Iowa communities with under 200,000 population, would accept a change to allow them to spend more federal money on operations with a reduced or waived local match. However, they would likely defer capital projects including desperately needed bus replacements.

But these are certainly extraordinary times. DART's 5 percent cut in service and likely layoff of at least 20 bus operators are the most substantial cuts we have had to make since the mid-1980s. Des Moines Public Schools, whom DART has a strong relationship with and for whom we transport more than 5,000 school students daily, has announced a proposal to cut more than 300 teachers next year. School leaders have asked DART to help them and reduce their $600,000 operating payment.

We are extremely thankful to the committee for the temporary ability to use 10 percent of the ARRA funds for operating assistance. As the economic challenges continue, should any additional one-time recovery funding be approved by Congress, DART would strongly support continued, limited, and temporary authorization for the use of these funds for operating assistance.

**Reauthorization**

All the economic forecasts for Iowa indicate that the state's recession will perhaps be less severe than in the nation as a whole, but probably will last longer before we experience a robust economy. Similarly, it is not likely that DART's financial picture will significantly improve until Congress approves a six-year transportation bill. Without new federal investment in a long-term bill and additional jobs legislation, it will be difficult to maintain the employment benefits that ARRA has created for our agency.

Needless to say, we definitely support the committee's efforts to approve a multi-year transportation bill at the highest level of investment possible for public transit. Such a bill would stabilize DART's finances, advance our important job-creating capital projects, and strongly assist our efforts to improve transit in Iowa.

Thank you for the opportunity to testify. I look forward to your questions.

RESPONSES TO QUESTIONS BY THE
HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

**Brad Miller**
GENERAL MANAGER
DES MOINES AREA REGIONAL TRANSIT AUTHORITY
DES MOINES, IOWA

FOLLOWING MARCH 26, 2010 TESTIMONY ON RECOVERY ACT: PROGRESS REPORT FOR TRANSPORTATION INFRASTRUCTURE INVESTMENT

*******

APRIL 26, 2010

**SUBMITTED BY**

**Des Moines Area Regional Transit Authority**
**1100 DART Way**
**Des Moines, IA 50309**
**www.ridedart.org**

**American Public Transportation Association**
**1666 K Street, N.W.**
**Washington, DC 20006**
**www.apta.com**

Responses to Questions submitted by Ranking Member John L. Mica – April 7, 2010

1. ***In the introduction of your testimony you said that 10% of ARRA funds are being used for "operating assistance". Is that money being used entirely to save service, or are there other departments of your transit authority that are getting this money? Is any of the money spent on "operating assistance" creating jobs?***

ANSWER: Yes, the entire 10% of ARRA Funds ($788,000) awarded to the Des Moines Area Regional Transit Authority (DART) is being used to avoid transit service reductions – and therefore save jobs.

Operators' wages are one of the largest expenses in running a public transit system. Much of the ARRA operating assistance funds were directly allocated to salaries and wages of retained bus drivers and mechanics. DART's budget gap this year was significant enough that we proposed laying off 35 drivers. Instead, thanks in large part to the operating assistance, we have not had to lay off anyone.

The $788,000 in operating assistance also saved jobs outside DART's walls. At the public meetings we held this spring on our proposed service reductions, we heard from dozens of residents who said they would lose their jobs if bus service was cut. Instead, the operating assistance enabled us to preserve much of the service that was identified as most critical for employees, thereby preserving those jobs, as well.

2. ***How many new jobs did you create with the $7.88 million in funding?***

ANSWER: DART has not tracked "new" jobs separately from our reporting requirements for OMB, FTA, and the Transportation and Infrastructure Committee. As of the end of March 2010, DART reported to the Committee the creation or support of 21 direct jobs and 27,674 hours of labor funded by the $3.6 million in ARRA funding DART has spent to date.

However, it should be emphasized that this federally required reporting accounts conservatively for only direct jobs supported by the ARRA funds:

- It accounts for just the nine (9) direct jobs supported for a single three-month quarter for production of our seven (7) ARRA-funded buses at Daimler Bus North America's (Orion Bus) assembly plant in Oriskany, NY, even though the manufacturing of the bus and its components took longer than three months. It does not include jobs supported for the development of the bus components (farebox, seats, signage, transmission, etc).
- The federal report accounts for just one (1) direct job supported for the six months that a concrete contractor was working at our facility last fall ($100,000 in ARRA funds). The jobs involved with creating and mixing the concrete and steel rebar and other materials are not included. Since the majority of work occurred right outside my office window, I can assure you

there was more than a single employee working on this important facility repair.

- It counts 10 supported bus operator jobs by the use of 10% of the ARRA funds for operating assistance, although our original budget shortfall was widely reported to put as many as 35 full and part-time bus operator positions at risk of layoff.

The facility-related projects that DART is supporting with its ARRA funds are being completed with a combination of the ARRA and other federal transit funding, as well as state and local funding. I provided testimony about jobs being supported on these projects based on my own conversation with executives with DART's facility contractor, Pinnacle Construction Company, who told me that at least 30 full-time employees in their firm and their prime subcontractors are working on our project. However, since our federal job reporting is quarterly, and so far we have only spent other federal and state funds, none of these 30 jobs have been reported thus far.

3. ***You mentioned that some Iowa rural transit services are receiving benefits from ARRA funding. In one case, you mentioned a rural transit service had 100% of its vans and buses replaced through ARRA funding. What is the ridership of these rural transit services, and how many jobs are created by replacing vans in rural counties? Wouldn't the money be better spent in areas that actually have sustainable ridership? What will the riders do once ARRA expires?***

ANSWER: I need to preface my answer by noting that as the General Manager of the largest Iowa transit system in the largest community in Iowa, I can only provide you information I have received from my rural system manager colleagues.

Iowa has a strong national reputation for providing a robust level of quality rural public transportation, as there is some level of service in all 99 counties of the state. In 2008, ridership totaled 3,621,000 trips across the 16 rural, demand-response systems in Iowa. As a comparison, DART in the largest city in Iowa had a recorded 4,629,000 rides in 2008 and more than 5 million in 2009.

According to the State of Iowa's Office of Public Transit, small bus and van manufacturers have been reporting an average of 188 hours, or 0.36 jobs created per small bus. Since the ARRA funds supported the purchase of more than 170 small vehicles for Iowa's rural transit systems, this would compute to an approximate 61 total vehicle manufacturing jobs supported for the buses purchased for Iowa rural systems.

I cannot offer an opinion about the value of investment in rural transit versus urban systems like Des Moines but I do know that all public transportation in the United States; from the New York City system to DART in Des Moines, to the smallest Iowa rural county transit provider requires public subsidies to supplement passenger fares to sustain their services. Smaller community and rural transit services are lifelines for many seniors, people with disabilities, and others to travel longer distances to access medical services, and in some cases, jobs. In this manner, they offer no different service than DART does.

Your question about what rural riders will do once ARRA expires is a good one. Just like the larger system in Des Moines, the smaller systems are extremely thankful for the opportunity to replace older, less-reliable vehicles with new ones that can provide better service to riders. In five years, when these ARRA-funded small buses will need to be replaced, hopefully there will be a comprehensive transportation authorization law in place that provides the needed resources to maintain strong rural and urban transit alternatives.

4. ***You mentioned that you have spent over a third of your ARRA money on bus replacement. How many jobs are created by replacing a bus in your transit authority?***

ANSWER: The new buses cost half as much to maintain each year as the old buses they replaced (less than $20,000 per bus compared to more than $40,000 in annual maintenance costs per bus), saving DART coveted operating dollars for hiring drivers to run more transit service.

The manufacturer of our buses, Daimler Bus North America (Orion), tells us that the ARRA funds we spent on their buses created about three direct manufacturing jobs (4,508 hours).

Last, these new buses operate more than six times as long as the old buses they replaced without failing, providing our 16,000 daily riders with reliable service to their jobs.

5. ***Before the economic slowdown, were your ridership models sustainable in any way, or did you always need government funding to keep your operation intact?***

ANSWER: Mass transit hasn't been sustained by fares alone in nearly half a century – but that's not to discount its value.

The U.S. Congress has recognized mass transit as a vital public subsidy since the Urban Mass Transportation Act of 1964, following a period of steady decline among private transit companies that struggled to compete with the personal automobile and the heavily subsidized system of roads and highways. Des Moines' transit system has been publicly owned and supported since 1973.

Today, public transit is an integral part of the country's overall transportation network, and it ought to be expanded for all of its peripheral benefits. It connects employees with employers, sometimes providing people with their only means of getting to and from a job. It eases congestion on roadways, causing less wear and tear on the country's costly infrastructure.

But indeed, the economic slowdown has had a direct effect on DART's passenger revenue. A year ago, on the morning when Des Moines' largest employer, the Principle Financial Group announced the first of what would be multiple rounds of employee layoffs, DART received 7 calls from Principle employees who ride DART's vanpools (and therefore reserve seats in advance) telling us they would no longer need their reservation as they had no need to travel to Des Moines for work anymore.

6. ***What percentage of the population of Des Moines relies on your transit agency to get to work, conduct daily life, etc?***

ANSWER: Approximately 4% of DART's service-area population of 400,000 rides DART daily, judging by the 16,000 passengers who ride DART's buses each weekday. However, in rush hour, DART's share of the commuting market to downtown Des Moines – the largest job center in Iowa – is approximately 10%. This substantial peak-hour share has grown despite more than a half-a-billion dollars worth of road capacity expansion over the past decade designed specifically to serve the peak commuting demand.

Telephone surveys conducted by our agency have indicated that more than half of all adult residents in the region have used DART services sometime in their lives.

7. ***Have you considered using ARRA funds to start investing in a light rail/streetcar project, something that can actually keep and increase sustainable ridership?***

ANSWER: Yes. DART did consider using its $7.8 million in ARRA funds to invest in streetcar services but opted against this plan for fear that we would not be able to meet the funding obligation time limits required by ARRA. Even if DART had invested all of its ARRA funding in what a completed feasibility study estimated in late 2008 to be a $120 million starter line in downtown Des Moines, the project would not have even reached its construction phase within the two-year time horizon set by ARRA.

The Des Moines streetcar feasibility study estimated that passenger revenues on a streetcar service throughout the downtown would not be enough to fully support the operations but instead would require a $6 million dollar annual government operating subsidy.

8. ***Have ARRA funds allowed the Iowa DOT to reduce transit funding? Have other sources of funding decreased because of the arrival of ARRA funds?***

ANSWER: No. The Iowa DOT provides no funding for transit capital assistance. The DOT's transit operating assistance, approximately $11 million annually statewide, is a legislative set-aside of a small portion of the sales tax on new motor vehicles in Iowa. With the economic recession and the plummeting new auto sales, state transit operating assistance is down, but not due to the arrival of ARRA funds.

All of DART's various revenue sources for operations have decreased over the past year due to the economic slowdown (farebox, state aid, local property taxes, advertising revenue, etc.). But none of these revenue declines can be attributed to the ARRA funding.

Responses to Questions submitted by Ranking Member John L. Mica – April 9, 2010

1. ***It is ironic that we have almost doubled the amount of federal funding for transit nationally in a single year with the $8.4 billion in Recovery Act funds, but transit agencies around the country are cutting service, laying off employees, and raising fares. But I noticed that in your testimony, you support using federal transit funds for operating expenses only on a limited and temporary basis. Please explain why you believe this operating authority should not be broad and permanent.***

ANSWER: I believe operating authority should be limited because there remains such a dire need for capital infrastructure investment in aging transit vehicles and facilities. Even with the fantastic infusion of one-time ARRA capital funds, more than a third of all the transit buses operating in Iowa still are over their federal useful life.

I believe operating authority should be temporary because permanent federal operating assistance would likely result in a lowering of local and state assistance and transit would not benefit from any net "new" funds.

In Iowa, almost all of the smaller community and rural transit systems use 100% of the state's apportionment of federal transit formula funds to offset operational costs and keep the pressure off their local property taxes to support their systems. In Des Moines, since we operate in a region with more than 200,000 population, we are prohibited from converting all of our federal funds to operating assistance, and therefore we rely heavily on local property tax support. Undoubtedly, my region's local governments would welcome an opportunity to provide property tax relief by replacing these local, politically-charged funds with federal operating assistance. But in the end, DART would see no increase in net funding.

2. ***How much of your operating expenses are covered by the farebox? Do you know how your farebox recovery compares to the federal average for bus-only transit systems in other mid-size cities? (The Des Moines urbanized area population is approx.400,000)***

ANSWER: 19% of DART's operating expenses are covered by the farebox. My own comparison of peer bus-only transit systems indicates this recovery ratio is on par with most other mid-sized city bus transit services.

3. ***Does the State of Iowa provide any funding for Des Moines transit operations? What is your local funding source?***

ANSWER: The state supports approximately 5% of DART's operation with an annual subsidy of approximately $900,000.

Our local funding comes from a state-authorized property tax that is levied on all property within DART's service area. Based on a locally determined formula, the tax rate varies within the region between approximately $0.20 per thousand dollars of taxable value and $0.50 per thousand. These levels equate to an $18 annual tax bill for a $200,000 house.

AMERICAN ASSOCIATION OF
STATE HIGHWAY AND
TRANSPORTATION OFFICIALS

AASHTO

THE VOICE OF TRANSPORTATION

**TESTIMONY OF**

**THE HONORABLE NANCY J. RICHARDSON**

**DIRECTOR**
**IOWA DEPARTMENT OF TRANSPORTATION**

**ON BEHALF OF**

**THE AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS**

**REGARDING**

***THE RECOVERY ACT: PROGRESS REPORT FOR HIGHWAY, TRANSIT, AND WASTEWATER INFRASTRUCTURE FORMULA INVESTMENTS***

**BEFORE THE**

**COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**
**UNITED STATES HOUSE OF REPRESENTATIVES**

**MARCH 26, 2010**

American Association of State Highway and Transportation Officials♦444 North Capitol Street, N.W., Suite 249, Washington, D.C. 20001♦202-624-5800

Chairman Oberstar and Members of the Committee, thank you for the opportunity to testify on the progress of state departments of transportation in delivering projects and jobs under the American Recovery and Reinvestment Act of 2009 (Recovery Act). My name is Nancy Richardson. I am Director of the Iowa Department of Transportation, and am speaking today on behalf of the American Association of Highway and Transportation Officials (AASHTO) which represents the state departments of transportation (DOTs) of all 50 states, Washington, D.C. and Puerto Rico.

First, on behalf of AASHTO, I want to express our gratitude to you, Chairman Oberstar for your continuing commitment to transportation which led to the recent enactment of the Hiring Incentives to Restore Employment Act, or HIRE. The bill's provisions extend highway and transit programs through December 31, 2010 at the 2009 SAFETEA-LU levels and transfer $19.5 billion in foregone interest from the General Fund of the U.S. Treasury to the Highway Trust Fund (HTF). These changes will ensure continuity of the federal-aid highway and transit programs, and enable states to accelerate contract lettings for the upcoming summer construction season. This also means that Congress can now turn its attention to work on enactment of a comprehensive, multi-year reauthorization measure for the federal-aid surface transportation programs. Thank you.

In my testimony I want to cover three points:

- Telling you about the successes states are achieving through the Recovery Act to create jobs and help bring about economic recovery;
- Sharing the results of an AASHTO survey of the states that shows they are ready with $80 billion of ready-to-go projects if additional funding were made available; and
- Describing how important transportation is to the economy, how important investment in transportation infrastructure will be to building a prosperous future, and the need to move forward quickly on enacting a comprehensive, six-year surface transportation reauthorization bill.

**Creating Jobs and Helping Bring About Economic Recovery**

The first thing I want to address is what state DOTs are doing to create jobs and help stimulate economic recovery through our investments in transportation. Mr. Chairman, the Recovery Act had a March 2, 2010 "use it or lose it" deadline for its highway funds, and I am happy to report that every state obligated every highway dollar they were eligible to receive and not one dime was turned back to Washington, D.C. for redistribution. We are proud of the thousands of jobs the economic Recovery Act enabled us to create and support in Iowa, Minnesota and elsewhere, and the long-lasting benefits the economy of the nation will receive as a result of the capital investments we are making.

Prior to the Recovery Act becoming law, the Iowa DOT worked with local jurisdictions, transit agencies, railroads and recreational trails interests to identify potential projects which would qualify for Recovery Act funding. Through this partnership, we were able to quickly identify over 645 miles of highways and streets, 55 miles of trails and 36 bridges and structures which would be improved or replaced and four freight rail improvement projects. All of this is being accomplished with a combination of state, local and private funds and $358 million in Recovery Act highway funding.

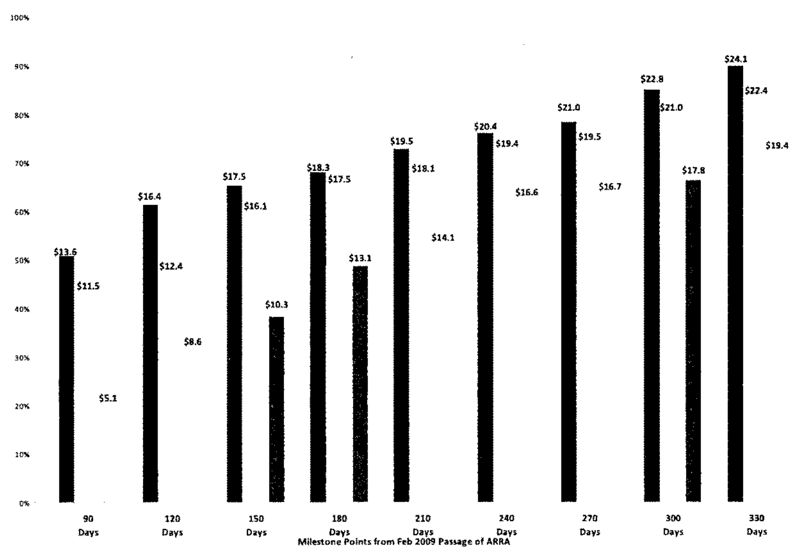
Work has already begun on over 200 projects utilizing the highway funding and, as of March 15, 2010, $215 million, or over 60 percent of Iowa's highway funding under the Recovery Act, has been received from Federal Highway Administration and paid to contractors and vendors. This funding was injected directly into our economy and was responsible for creating or retaining jobs all across the state. When spring arrives and the construction season begins again, we will see the remaining Recovery Act funds being used to again support jobs and continue to improve Iowa's transportation network.

With the $25 million in Recovery Act transit capital funds for small urban and rural transit systems, we identified 216 transit vehicles which were old and ready for replacement. The same success has occurred as a result of the transit capital funding. As of the end of February 2010, 136 of the transit vehicles ordered had been delivered and were already in service all across Iowa.

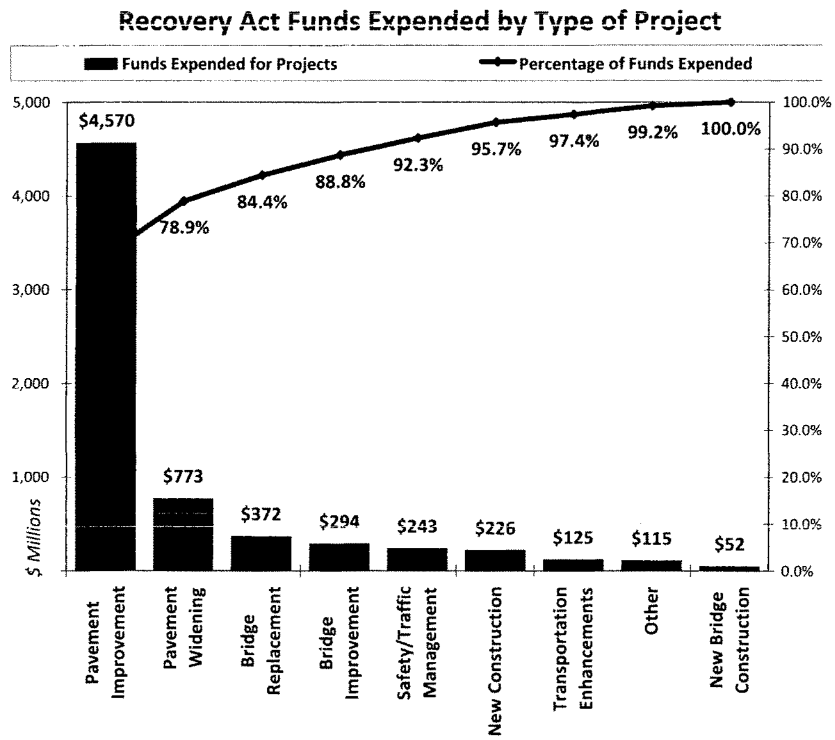
The economic benefits of the Recovery Act are two-fold – the retention and creation of good paying jobs and the long-term, lasting economic benefits in investing in our transportation infrastructure. The job creation benefits have been well documented. Because the federal-aid highway program is a reimbursable program, after the work commences, the contractor bills the state, the state processes and pays the bills from the state treasury, and then the state seeks reimbursement from the federal government. It is only after the federal reimbursement is made to the state that outlays are counted. It is earlier in the process, once contracts are negotiated and awarded, that materials are ordered and former and new employees are brought on board. This job support and economic impact occurs long before the outlays are counted.

As you can see in the chart below from the data collected by your Committee and the U.S. Federal Highway Administration, as of January 31, the latest data available, more than 80% of the Recovery Act funds were under contract. More than any other spending measure, "under contract" means the surface transportation dollars continue to move quickly to create and sustain jobs.

Highway-related ARRA Funds Obligated, , and
Under Contract Relative to Total $26.8B Highway Funds Issued (Billions)
Source: FHWA Bi-weekly Financial & Activity Reports (recovery.gov) and House Transportation and Infrastructure Committee




The nation will also receive long-lasting economic benefits from the capital investments in our transportation infrastructure. The chart below shows the last data from the U.S. Federal Highway Administration on how the Recovery Act dollars under the highway infrastructure investment program were used.




Last month AASHTO published its report titled **"Projects and Paychecks,"** a one-year report on state transportation successes under the Recovery Act. The report documents that, so far, through highway and transit investment made possible under the Recovery Act, states have created or saved 280,000 direct, on-project jobs. That means that – as of December, 2009 – transportation, which received 6% of total Recovery Act resources, was responsible for at least 14% of the two million direct jobs saved or created to date. This transportation investment has been able to achieve two types of economic benefits:

- Direct and immediate benefits to people through the jobs created through investments in transportation infrastructure; and

- Longer-lasting benefits to the broader economy through the improvements in transportation system performance which resulted from the specific infrastructure investments made. We describe Recovery Act transportation investments as "the gift that keeps on giving."

**Jobs and Paychecks: What this means to people.** One year after enactment of the Recovery Act, through highway and transit infrastructure investments, state and local governments have created or saved 280,000 direct, on-project jobs. Total employment related to the 12,000 projects underway has reached 890,000. Put another way, the direct highway construction jobs saved so far by stimulus spending can be compared to the hypothetical impact of opening a new $1 billion dollar auto plant somewhere in America—like the new 2,200 acre Kia facility in Georgia—eleven times over.

The projects that states, cities and counties were able to build will have long-lasting benefits in thousands of communities. So far it has meant repair or replacement of 1,125 bridges; improvement, resurfacing of 21,400 miles of pavement; and the purchase of 7,450 buses.

But the real story of the Recovery Act is about people: the people whose jobs were saved or who went back to work; the people who were able to make their mortgage payments, put their kids through school and pay for health care. As Susan Martinovich, AASHTO Vice President and Director of Nevada's Department of Transportation, stated, "When you put money into infrastructure, you are putting contractors to work, engineers to work, you are putting the people who provide the materials, striping, paint, asphalt, and gravel to work."

So what has this meant to real people? In Michigan the unemployment rate for construction workers is running at close to 40%. Frank Anzenberger had been in the construction industry for over 30 years. He had been out looking for a job for more than half a year. Anzenberger was not only hired but, at a June, 2009 Kalamazoo ceremony marking approval of the 2,000th transportation project funded by the Recovery Act, he got to introduce Vice President Joe Biden. "For me the economic stimulus means that I'm going to have a weekly paycheck," Anzenberger said.

In Washington State, Michael Joseph was a member of Laborers Union Local 252, who was struggling to care for a wife battling cancer. He had only worked four months out of the previous twelve before he was hired to work on a project widening Interstate 5 between the Port of Tacoma and the King County line. "For me," said Joseph, "being able to pay for health care is everything."

In Maryland, Rhea Mayolo, was a divorced mother trying to support her kids by working multiple, part-time jobs waiting tables and keeping books. Through the Recovery Act she was hired by an engineering company to be their office manager. Working on a full-time job meant she could earn a decent living.

**Transportation Investments Stimulate the Broader Economy.** Now that the March 2nd "use it or lose it" deadline has passed, all of the $26.4 billion issued to states and territories has been obligated. Federal Highway Administration reports that, as of March 11, with the $26.4 billion issued to states and territories more than 12,000 projects have been obligated, more than 8,000 highway projects are currently under construction, and work has been completed on 2,200 highway projects valued at $6.3 billion.

Transit grants have been issued for 933 projects, valued at $8.3 billion, according to the Federal Transit Agency. Another 13 grants are under review, which, if approved, would bring the total number of transit grant awards to 946.

States have achieved a remarkable record of jobs created and supported, highways and bridges repaired or rebuilt, and transit systems improved. But the benefits to the broader economy go well beyond the construction or procurement of the infrastructure improvements themselves. These investments in improving our nation's transportation network will help sustain the recovery and create and support more jobs, more opportunities and a better future for America. Examples of this long-term economic impact are:

*Green Jobs.* In Texas, a new bridge across the Colorado River is helping the city of San Angelo keep its commitments to the largest new manufacturing plant it had seen in decades. In 2008, Martifer-Hirshfield Energy Systems agreed to locate a wind tower construction plant in San Angelo, on the condition that an early 1900's rail bridge across the Colorado River would be replaced. It was too low and too narrow to carry Martifer's wind towers north to markets throughout the rest of the country. Only when Recovery Act funds became available was the city able to replace the bridge.

*Redevelopment.* In Johnson, Rhode Island, Mayor Joseph Polisena said he was "hell bent" to redevelop a "blighted" parcel of land just 300 yards from town hall that had sat vacant for 18 years. To widen and improve Hartford Avenue—a prerequisite for the parcel's redevelopment—the Rhode Island Department of Transportation completed all of the necessary planning and engineering, but lacked the necessary funds. Thanks to $3.4 million in Recovery Act funding, Rhode Island DOT's work is scheduled to be completed in Spring 2011, and the first phase of a $40 million shopping and hotel complex should be finished along-side the road improvements. Jeffrey Saletin, who is developing the property, said, "Our project is one that never would have started if this road hadn't been improved."

**The States Can Deliver Additional Ready-to-Go Projects**

Mr. Chairman, national studies have shown that the current funding levels provided by federal, state and local governments fall far short of what is needed to adequately support our transportation system. Moreover, our surveys show that the backlog of projects is substantial, and there are many more projects ready to go than we have available resources. Early this year, AASHTO went back to the State DOTs to gauge the extent of additional ready-to-go projects.

With all 50 states and the District of Columbia reporting, our survey showed that the states had more than 9,800 projects valued at close to $80 billion that could move through the federal approval process within 120 days of enactment of legislation authorizing additional funding. Once federal approval is given, states can advance quickly through the contracting process and proceed to construction, just as we did with the Recovery Act.

And, as I previously discussed, the federal-aid highway program is a reimbursable program. Job creation and support and, therefore, economic impacts begin long before federal funds are reimbursed to states. Funding for these ready-to-go projects would have a quick jobs and economic impact.

The unemployment rate in the transportation construction industry still exceeds 20%. Commercial construction activity remains at a virtual halt so it is the transportation public sector that has been able to fill part of the void. For example, Missouri DOT Director Pete Rahn recently said that a survey of their 25 largest contractors found that the Missouri DOT work now makes up about 90% of these contractors' workload, up from what is normally about 40%. The Recovery Act is working and the states could do more if additional funds were to become available.

States face the most difficult financial situation in 50 years, and this year 25 states have indicated that they will be forced to reduce spending on transportation. The $48 billion provided through the Recovery Act helped maintain national investment during 2009 and 2010, however the funds available through Recovery Act are meant to supplement not supplant existing state investments. We are hopeful that a 2010 Jobs Bill soon to be considered in the Senate will provide resources similar to the $27.5 billion for highways, and $8.4 billion for transit approved by the House in December, 2009.

**Transportation is Vital to the U.S. Economy Making Enactment of a New Authorization Critical**

**Transportation is vital to the U.S. economy**. It is a $1.2 trillion industry, generating 8 percent of our nation's jobs and accounting for 9 percent of the U.S. economy, as detailed in Table 1.

**Table 1. U.S. Gross Domestic Product in Transportation and Logistics Industry**

| Industry | Gross Domestic Product | Share/ |
|---|---|---|
| Transportation | $363.7 billion | 2.7%/ |
| Warehousing | $34.0 billion[a] | 0.3%/ |
| Wholesale Trade | $788.7 billion | 6.0%/ |
| **Transportation/Sector** | **$1,152.4 billion** | **9% of U.S. economy** |
| **U.S. Total** | **$13,246.6 billion** | — |

Source: Cambridge Systematics calculations based on data from Bureau of Economic Analysis, Annual Industry Accounts, 2006.

More importantly, it provides the equipment and services that support businesses and industries in agriculture and natural resources, manufacturing, retail, and services. Transportation represents 7 percent of the value of output in the agriculture and natural resources sector, 4.7

percent in the retail sector, and 3.2 percent in the manufacturing sector. And in the rapidly growing services sector--which does not produce material goods but depends on expedited delivery services, reliable long-distance business travel, and cost-effective employee commuting--transportation is 1.8 percent of the value of output. Together these businesses and industries account for 84 percent of the U.S. economy.

Demand for freight trips to support the U.S. economy has increased steadily since the 1970s, driven by population and economic growth, global trade, and changing supply chain practices. However, the freight productivity improvements gained though past investment in the Interstate Highway System and economic deregulation of the freight transportation industry in the 1980s are showing diminishing returns. Demand is now pressing the capacity of the nation's highway, rail, waterway, and port systems to handle the trips.

The effects of rapid growth in demand and limited growth in system capacity are felt as congestion, increased freight transportation prices, and less reliable trip times. Congestion, higher transportation prices, and lower reliability lead to increased costs for manufacturers, higher import prices, and pressure on businesses to hold more expensive inventory to prevent stock shortages. The effect on individual shipments and transactions is usually modest, but over time these costs add up to a higher cost of doing business for firms, a higher cost of living for consumers, and a less productive and competitive economy.

The performance of the nation's freight transportation system is critically important. It directly affects:

- Economic Development and Jobs - Cost-effective and reliable freight transportation gives industries and businesses a competitive advantage in the global economy by providing them the ability to deliver products at lower cost and reach larger markets. This translates into more jobs, greater profitability, and better growth prospects. But poor freight transportation performance means smaller markets, fewer jobs, and limited economic development opportunities.

- Standard of Living - The freight transportation system delivers an immense range of food, clothing, tools, materials, and services to homes and businesses. Consumers enjoy an unprecedented variety and quality of products because producers are able to manufacture, trade, and distribute across local, national, and global markets. But poor freight transportation performance means higher costs, less choice, and a lower standard of living for all citizens.

- Communities - Freight transportation is a heavy industry. A well performing and innovative freight transportation industry means less congestion, fewer air pollutants and greenhouse gas emissions, quieter operations, and greater safety in communities. But poor freight transportation performance leads to degradation of community health and safety.

- Military Capability - The freight transportation system that supports the nation's civilian economy also supports the nation's military. It ensures a ready and reliable supply of materiel and gives the military the mobility to operate effectively at home and abroad. But poor freight transportation performance means less mobility, higher cost, and greater risk.

The public sector has a major role in the freight transportation system: it owns and operates the highways; owns and manages most of the nation's ports, waterways, and airports; regulates the rail and pipeline systems; and oversees the security of all freight transportation facilities and freight carriers. It has an immense social, economic, and environmental stake in the capacity and performance of the freight transportation system.

As the economy recovers from the current recession, the nation will find itself at same point it was in 2005 - in the early stages of a freight transportation capacity crisis. As it was then, the public sector will find itself poorly positioned to deal with the problem because there is:

- No clear and consistent description of the national freight transportation system, its performance, and investment needs;

- Insufficient public sector knowledge of freight transportation and supply chain management and their importance to businesses and economic growth;

- Lack of coordinated public and private actions on freight transportation policies, programs, and finance; and

- Lack of public sector focus on transportation operations.

AASHTO will soon publish a report called the **Freight Transportation Bottom Line** which examines the growing demand for freight transportation; the capacity of the nation's highway, rail, and water transportation systems to handle freight cost-effectively and reliably; and the implications of congestion and deteriorating freight transportation performance for supply chains and the production and delivery of goods and services. We will provide the Committee a copy of this report as soon as it is complete.

Here is what the Federal Highway Administration had to say in its publication titled **Freight Facts and Figures 2009,**

> *"The Nation's 116 million households, 7.7 business establishments, and 89,500 government units are part of an enormous economy that demands the efficient movement of freight. While the U.S. economy has been affected by the recent global recession, it is expected to fully recover and continue to grow.*
>
> *The U.S. population grew by 33 percent between 1980 and 2007, while the economy, measured by gross domestic product (GDP) more than doubled. Foreign trade grew faster than the overall economy, quadrupling in real value between 1980 and 2007.*
>
> *Although freight moves throughout the United States, the demand for freight transportation is driven primarily by the geographic distribution of population and*

> *economic activity. While both population and economic activity have grown faster in the West and South than in the Northeast and Midwest, the growth in economic activity per capita has been highest in the Northeast."*

Before we leave the subject of freight, there is one additional point to be made on maintaining America's global economic competitiveness. China spends 9% of its gross domestic product on infrastructure, compared to 3.5% in India and less than 1% in the United States. Investment in world-class infrastructure has become a competitive imperative. The global economy is pressuring countries to upgrade infrastructure in order to remain competitive, gain advantage, or keep from falling behind. The good news is that, compared with its competitors, the U.S. still has the most fully-developed, efficient, and productive transportation systems. However, it is losing ground rapidly and needs to be improved.

**Moving People Is Also Vital to the Economy.** Providing mobility for this country is getting tougher. Congestion in metropolitan areas is bad and is getting worse because we have not kept pace with the highway, transit, and rail capacity needed. Over the next forty years over 100 million is expected to be added to today's population of 310 million. Even if we are able to cut in half the growth in vehicle miles traveled on our highways it will still grow from 2.9 trillion today to 4.5 trillion by 2050.

Metropolitan areas will continue to be the center of population and economic growth in the United States. Over the past 50 years the number of people living in metropolitan areas in this country increased from 85 million to 225 million. Over the next forty years it is expected to grow to nearly 350 million. Because over 80% of the country's GDP is generated in metropolitan areas, providing these areas the transportation capacity needed to keep pace with the expected growth is vital to the economy. Reducing congestion and increasing system reliability are also important. Additionally, metropolitan areas cannot survive if they are isolated from the rest of the nation. They must be connected to each other by adequate transportation infrastructure and this often requires movements through and to this country's rural areas.

Rural states will also face population pressures and growth in travel demand. Out of the 20 states expected to grow the fastest over the next 30 years, several are predominately rural including Nevada, New Mexico, Idaho, Utah, Wyoming, Alaska, and Montana. What these states have in common is large geographic size and, as a consequence, highway systems which have to span great distances. There are two growth industries in rural states: the first group is energy production, including oil, gas, and renewables such as solar and wind power; the second group includes the travel, tourism, and recreation industries. Both groups share one thing in common: direct dependence on transportation.

The services industry is the largest and fastest-growing economic sector in the U.S., now accounting for one-half of U.S. GDP and one-half of all jobs. The services industry needs access to large markets and big pools of skilled workers to keep costs down. Metropolitan congestion, however, makes it difficult for service industry workers to get to work and for service industry customers to get to offices, medical facilities, schools and other service centers.

**Importance of transportation investment to the national economy.** In 2010, America finds itself at a crossroads. Funding needs have been consistently outpacing resources. Meanwhile, our competitors in the global economy, Europe, and emerging economies like China and India, are committing massive resources to modernize their transportation systems to strengthen their economic competitiveness.

At the Federal level, the Highway Trust Fund faced insolvency in 2008, 2009 and 2010. Funding shortfalls were alleviated through fund transfers from the General Treasury. The transfer of $19.5 billion approved last week is expected to keep the Highway Trust Fund solvent for at least one additional year.

If we are to have a national transportation system, it is imperative that the Federal government play a strong role. Over the last decade, the federal share of highway and transit capital investment has averaged at around 45 percent. There have been a series of authoritative studies which have documented how much the U.S. needs to spend on surface transportation overall.

The National Surface Transportation Policy and Revenue Study Commission was authorized in SAFETEA-LU, appointed in 2006, and delivered its report in 2008. It found that the U.S. needs to be investing $225 billion annually from all levels of government for capitol expenditures in highways, transit and rail over the next twenty years but is investing at only 40% of that amount. In 2009, AASHTO published its Bottom Line Report which determined that to improve the highway system the U.S. needs to invest $166 billion per year compared to the $80 billion we are currently investing; to improve the transit system the country needs to invest at $59 billion per year compared to current capital spending of around $15 billion. The latest Conditions and Performance Report for Highways and Transit published by U.S. DOT in January, 2010, based on 2008 data, made the following determinations: to improve the system highway investment needs to increase to $174.6 billion annually; to improve the transit system $21.1 billion needs to be invested annually.

**Need to move forward with authorization.** While it is helpful for these reports to document what is needed, it is not realistic that Congress will find it possible all at once to increase federal investment to the levels needed. We believe the $500 billion surface transportation bill that you, Chairman Oberstar, have established is a reasonable target for this six-year authorization period and that Congress should seek to fund. It would provide $450 billion for highways and transit and another $50 billion for high speed rail. At AASHTO's Annual Meeting in October, 2009, its Board of Directors endorsed funding the transit program at the $99.8 billion level provided in the House Bill, and endorsed the provision of $50 billion for high speed rail with the understanding that it would come from resources outside the Highway Trust Fund.

Here is what funding the program at those levels would help achieve.

*Doubling Transit Ridership.* To reduce congestion and meet the demand of those dependent on public transportation, the United States will have to build enough transit capacity to double ridership by 2030. A challenge just as important for transit is to replace its aging fleet of buses and rail cars and upgrade or maintain its stations, its rail infrastructure, and its maintenance facilities.

*Highway System Preservation and Modernization.* To meet the future needs of the highway system, the U.S. needs to preserve the system built over the last 100 years so that it continues in a good state of repair for the next generations. System performance needs to be improved through investments in system operations and advanced technology. Capacity needs to be added to reduce congestion and keep pace with expected growth in freight and population.

Below is a description of the preservation challenge facing the Interstate system over the next twenty years. The Interstate Highway System has more than 55,000 bridges, many of which are reaching 40 to 50 years of age. Bridges and other structures of this age usually require substantial rehabilitation and in some cases, replacement. As the 210,000 lane miles of the Interstate System reach 40 to 50 years of life, major portions need to have their foundations completely reconstructed. The Interstate System has almost 15,000 interchanges, many of which do not meet current operational standards and create bottlenecks or safety problems.

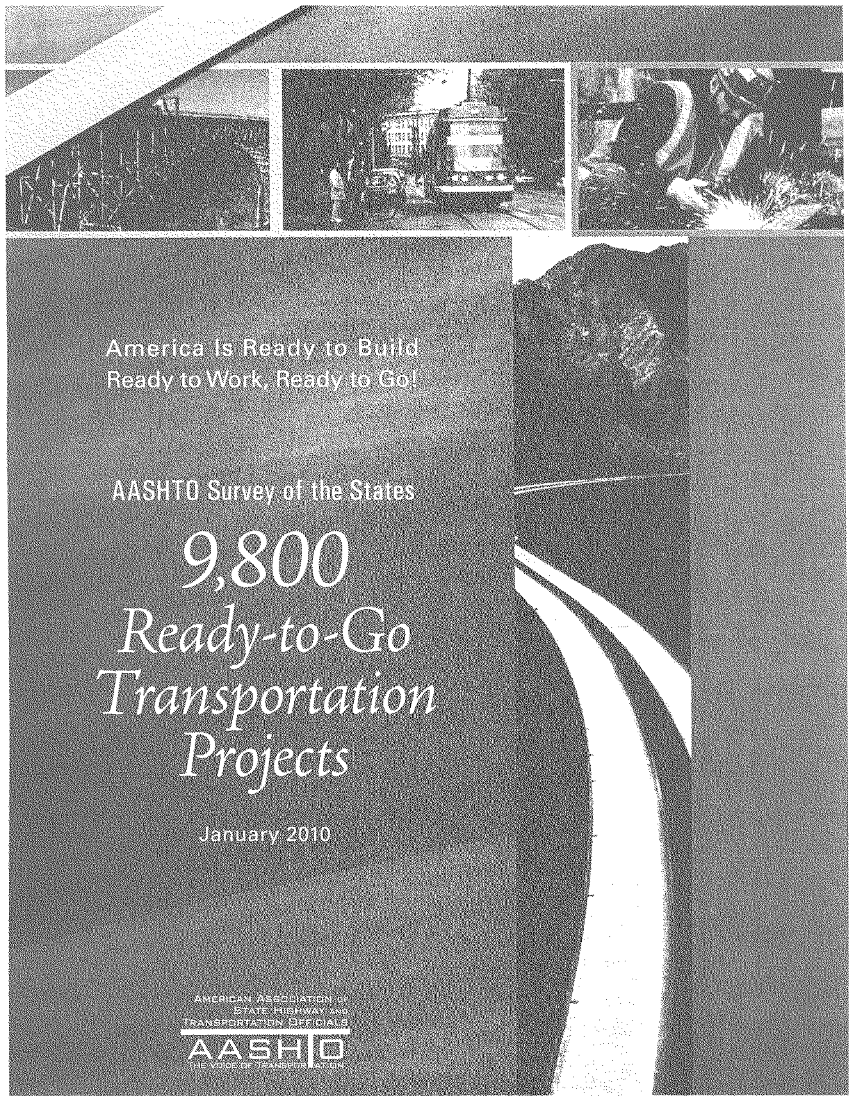
AASHTO's 2009 Bottom Line Report documented that, as of 2008, the backlog of needed highway and bridge investment had grown to $490 billion. According to U.S. DOT, 46.3% of the backlog was for investment needed in system rehabilitation and 44.6% was for system expansion. What the U.S. DOT analysis shows is that, as investment is made in the future to reduce that backlog a balanced approach will be needed that addresses both condition and performance. If only rehabilitation took place, the condition of roads and bridges would improve, but traffic performance would suffer. Similarly, if only system expansion occurred, the condition of the existing system would continue to deteriorate. .

There continues to be interest in Congress in giving high priority to bringing the highway system into a good state of repair. One of the things the $26.8 billion in Recovery Act highway funding did for the states did was to enable them to address part of the highway and bridge preservation backlog. Ninety-two percent of the Recovery Act highway funds so far has gone to system rehabilitation.

*A New Era of Intercity Passenger Rail.* In addition to the $8 billion provided in Recovery Act for Intercity Passenger Rail, the FY 2010 transportation appropriations bill provided $2.5 billion, and the President's FY 2011 budget calls for providing an additional $1 billion for High Speed Rail. Together with the $9 billion in state funds authorized for the system being planned in California, and other resources being committed in other states, it appears that significant funding is indeed being committed for this purpose. AASHTO believes that we are overdue for the U.S. to provide a robust intercity passenger rail network that provides competitive, reliable, and frequent passenger rail service, comparable to world-class systems in other countries. Thirty seven states applied for Recovery Act high speed rail funds, and 31 states received grants. Many of the states which did not receive funding in the initial round are working to position themselves to compete for subsequent funding. Competition and demand for these funds clearly demonstrate that state interest in this mode of transportation is real.

As I said at the start of my testimony, we are grateful for the extension of the authorization of the federal-aid highway and transit programs to the end of this calendar year. Now we must turn our attention to the larger package. We want you to know that we stand ready to work diligently with you to advance a well-funded, six-year bill that will enable the states, working with their local partners, to deliver a transportation system that meets the needs of the next generation, maintains our economic competitiveness, addresses energy security concerns and meets the quality of life expectations for urban and rural America.

Mr. Chairman, I appreciate the opportunity to testify on the States' successful use of the Recovery Act transportation funding, our ability to put any potential additional stimulus funds to equally good use, and the critical need for a new highway and transit multi-year authorization to support transportation in its important economic role. I look forward to answering any questions you or your Committee Members may have.


America Is Ready to Build
Ready to Work, Ready to Go!

AASHTO Survey of the States

9,800
Ready-to-Go
Transportation
Projects

January 2010

American Association of
State Highway and
Transportation Officials
AASHTO
The Voice of Transportation

## *Ready-to-Go Projects, 2010 Survey of the States*

### Highlights

- All 50 states and the District of Columbia reported data.
- 9,857 highway, transit, rail, port, and aviation projects valued at $79.41 billion.
- Ready-to-go means a project can move through the federal approval process within 120 days of enactment of authorizing legislation, thus enabling the State to proceed toward construction. (See back page for entire process.)
- Includes the following job-creation projects:
  - 7,558 highway projects estimated at $49.13 billion
  - 994 transit projects estimated at $11.56 billion
  - 292 rail projects estimated at $8.69 billion
  - 92 port projects estimated at $1.24 billion
  - 655 aviation projects estimated at $2.16 billion
  - 266 intermodal projects estimated at $6.63 billion (Intermodal category used by some states for intermodal freight or passenger projects; it also includes other transit, rail, port, and aviation projects not noted elsewhere.)

*"We need to keep the momentum going. The unemployment rate in the construction trades today exceeds 18 percent. There is still a need to invest more in transportation projects if that's what it takes to create jobs and bring unemployment down. What the state DOTs have done over the past eight months to put economic recovery dollars to work shows there is no better way to create jobs and long-lasting benefits in every part of the country."*

John Horsley
Executive Director
American Association of State Highway and Transportation Officials

**www.transportation.org**

Contact: Tony Dorsey tdorsey@aashto.org (202) 624-3690

## AASHTO SURVEY—READY-TO-GO PROJECTS

| Mode | Number of States Reporting | Number of Projects | State Estimates |
|---|---|---|---|
| Highway | 51* | 7,558 | $49.13 billion |
| Transit | 34 | 994 | $11.56 billion |
| Rail | 24 | 292 | $8.69 billion |
| Port | 14 | 92 | $1.24 billion |
| Aviation | 22 | 655 | $2.16 billion |
| Intermodal** | 9 | 266 | $6.63 billion |
| **TOTAL** | **51*** | **9,857** | **$79.41 billion** |

## *Highways*—JOB CREATION PROJECTS

| State | Projects | State Estimate |
|---|---|---|
| Alabama | 105 | $1,065 million |
| Alaska | 30 | $308 million |
| Arizona | 123 | $992 million |
| Arkansas | 130 | $1,070 million |
| California | 120 | $4,012 million |
| Colorado | 100 | $1,400 million |
| Connecticut | 59 | $1,722 million |
| Delaware | 30 | $109 million |
| District of Columbia | 28 | $114 million |
| Florida | | $1,500 million |
| Georgia | 91 | $308 million |
| Hawaii | 31 | $170 million |
| Idaho | 66 | $173 million |
| Illinois | 310 | $1,300 million |
| Indiana | 150 | $560 million |
| Iowa | 665 | $955 million |
| Kansas | 348 | $701 million |
| Kentucky | 49 | $285 million |
| Louisiana | 47 | $197 million |
| Maine | 70 | $200 million |
| Maryland | 131 | $615 million |
| Massachusetts | 58 | $500 million |
| Michigan | 331 | $2,884 million |
| Minnesota | 116 | $510 million |
| Mississippi | 49 | $476 million |
| Missouri | 115 | $1,200 million |
| Montana | 160 | $450 million |
| Nebraska | 53 | $180 million |
| Nevada | 42 | $1,295 million |
| New Hampshire | 36 | $427 million |
| New Jersey | 53 | $312 million |
| New Mexico | 49 | $753 million |
| New York | 440 | $1,200 million |
| North Carolina | 112 | $2,059 million |
| North Dakota | 102 | $200 million |
| Ohio | 120 | $618 million |
| Oklahoma | 176 | $947 million |
| Oregon | 204 | $527 million |
| Pennsylvania | 303 | $1,226 million |
| Rhode Island | 26 | $288 million |
| South Carolina | | $375 million |
| South Dakota | 34 | $128 million |
| Tennessee | 178 | $800 million |
| Texas | 1,178 | $3,834 million |
| Utah | 114 | $7,776 million |
| Vermont | 47 | $148 million |
| Virginia | 6 | $106 million |
| Washington | 148 | $751 million |
| West Virginia | 431 | $1,556 million |
| Wisconsin | 136 | $443 million |
| Wyoming | 58 | $400 million |
| **TOTAL** | **7,558** | **$49.13 billion** |

* Includes Washington, D.C. ** Intermodal category used by some states for intermodal freight or passenger projects; it also includes other transit, rail, port, and aviation projects not noted elsewhere.

# How Transportation Projects Are Funded with Federal Dollars

*State/MPO Long Range Plan*

*State/MPO TIP*

**AUTHORIZING LEGISLATION**

***Apportion Dollars to States***

***Federal Approval of Project Package***
*(Obligation of Federal Dollars)*

***State Conducts Bidding Process for Contractor Selection***

***Lowest Qualified Bidder Selected***

***Work Commences***

***Contractor Bills State***

***State Processes Bill and Pays from State Treasury***

***State Seeks Reimbursement from Federal Treasury***

***Federal Treasury Transmits Funds to State***

***OUTLAY OF FEDERAL DOLLARS***

### *Federal Funding of a Transportation Project*

- State submits project to federal agency.
- After thorough federal review, federal funds are committed (or obligated) to the project. (No federal funds have been sent to the state at this point).
- Depending on size and complexity, project is advertised, bids reviewed, and contract awarded (approximately four to six week process).
- Work commences.
- State pays contractor for work completed.
- State seeks reimbursement from the appropriate federal agency.
- Federal funds are sent to the state.

# PROJECTS and PAYCHECKS

A one-year report on
**State Transportation Successes**
under the American Recovery
and Reinvestment Act

AASHTO
THE VOICE OF TRANSPORTATION
February 2010

recovery.transportation.org

# *At-a-Glance*

During the first year of the American Recovery and Reinvestment Act of 2009, states and transit agencies have produced real jobs and real improvements to the nation's transportation infrastructure.

**State departments of transportation have shown that they can get the job done, on time and under budget.**

## The Facts[1]:

- As of December 31, $26.4 billion, or 77 percent of the $34.3 billion provided for highways and transit, has been put out to bid on 12,250 projects.
- Within this total, 10,600 projects (totaling $22.6 billion) are under contract.
- Across the nation, work has begun on 9,240 projects totaling $20.6 billion—60 percent of the total available highway and transit formula funds.
- Work has been completed on 3,150 projects.
- The Federal Highway Administration reports that as of January 29:
  - 11,100 highway projects have won federal approval to proceed;
  - 7,050 highway projects are under contract or ready to proceed; and
  - 2,140 highway projects are already completed.
- As of February 4, the Federal Transit Administration reported:
  - It had obligated $7.23 billion of its recovery funding to over 700 projects, nearly 87 percent of available funding.
  - Another 220 project applications, valued at $1.07 billion were under review. If approved, FTA will have distributed $8.3 billion to over 920 projects nationwide.
- Bids have come in across the country at 10 to 30 percent under estimates, leading to more work being accomplished.

## State Improvements Are Leading to Long-Lasting Results

As of January 7, 2010:

- 1,125 bridges had been improved, replaced, or newly constructed.
- 21,400 miles of pavement were either improved, resurfaced, or widened.
- 1,700 safety traffic management projects were implemented.
- Over 630 miles of bike lanes, sidewalks, or environmental mitigation projects were underway.
- 7,450 buses have been purchased and 1,637 bus shelters constructed.

## Real People Are Working Real Jobs

- 280,000 direct, on-project jobs have been created or sustained across the country.
- Total employment from these projects, which includes direct, indirect, and induced jobs, reaches almost 890,000 jobs.
- Nearly 70 percent of transportation contractors received recovery work.

(1) Data supplied by the House Transportation and Infrastructure Committee, based on state reporting. Other data from FHWA, FTA, and FRA.

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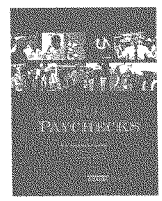





*Acknowledgments*

The real story of the first year of the American Recovery and Reinvestment Act is about people: the people whose jobs were saved or who went back to work; the people who were able to make their mortgage payment; the people who bought health insurance to care for an ailing relative. These men and women are the untold success stories of ARRA—the faces behind the numbers. Without ARRA, hundreds of thousands of workers—employed by state DOTs, by contractors and subcontractors, by manufacturers of everything from asphalt to pipes—would have seen few bright spots last year. With ARRA, they not only received a paycheck, paid their taxes and spent money in their communities, they made real and lasting improvements to the roads, bridges, interstates, buses, and transit systems we all rely on to go to work, take kids to school, deliver milk and bread, and ensure that the ambulances and fire trucks get to our doors. This report is dedicated to them.

AASHTO gratefully acknowledges the information and photographs provided by the state departments of transportation, the data provided by the House Committee on Transportation and Infrastructure, Federal Highway Administration, and Federal Transit Administration, as well as the work of Alan Greenblatt in the development of this report.

# States Get the Job Done

*By Larry "Butch" Brown, AASHTO President, and Director of the Mississippi DOT*

The impact and importance of the American Reinvestment and Recovery Act (ARRA) has been invaluable—both for my state and for all the states across the country represented by AASHTO. Its enactment one year ago provided the stepping stone we needed to move forward and build good transportation projects while creating jobs that may have gone by the wayside had it not been for ARRA funding.

*Larry 'Butch' Brown, AASHTO President*

In Mississippi, the stimulus funding came just at a time when the economy was slowing down and our construction contracts were running out because we were running out of dollars. When we received the green light to proceed last February, my state felt it was very important for us to move quickly and show evidence of using stimulus dollars as soon as possible. We immediately put some paving and management programs in place so that the people of Mississippi could see jobs and see people at work. Then we focused on short-term and short-delivery projects. Then we focused on those we could deliver in a year or 18 months

The transportation agencies were the poster child for stimulus. Even though we only received a small portion of the dollars, we were the most visible.

Across the country, the recovery program will leave a lasting transportation legacy. People will be driving on the newly paved roads for decades or traveling over bridges for another 100 years. Transit services will be sustained and facilities improved. In short, for every transportation dollar spent now, we are giving something back that will be permanent for the future.

But we have much more to do. We would like to see a second jobs' creation bill that includes more for transportation: one that would allow us to embark on well-planned, larger projects that are long-needed; one that would provide longer-term employment for the folks involved in improving the bridges, highways, and transit services we need.

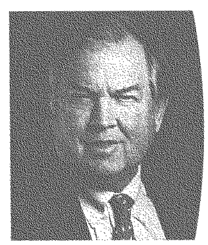
As president of AASHTO, I think I can speak for all my colleagues and say that we are proud of our work over the past 12 months—and we are ready and more than able to continue to get the job done, on time and to the benefit of our communities.

# FOREWORD

*By John Horsley, AASHTO Executive Director*

## Investing in Transportation Pays Off

Investment in transportation has turned out to be one of the fastest and most effective ways to create jobs under the American Reinvestment and Recovery Act (ARRA). Monthly reports gathered by the House Transportation and Infrastructure Committee from states, metropolitan planning organizations and transit agencies show that as of December 31, 2009, 10,600 highway and transit projects were under construction totaling $20.6 billion. The Committee determined that these projects had created or sustained more than 280,000 direct, on-project jobs; and when indirect and induced jobs are counted, total employment from this investment reached over 890,000 jobs. Although transportation received only 6 percent of total recovery act funding, it represents more than 24 percent of the jobs created by the Act so far.



*John Horsley, AASHTO Executive Director*

Looking at highway investment alone, continuing progress has been made in putting stimulus funding to work. As of January 29, 2010, $24 billion in highway dollars had been obligated, out of the total of $26.8 billion made available to states. Of the 11,100 projects obligated, 2,140 projects had been completed, and 6,893 projects were under contract. Every state made the deadline to obligate at least half of the funds they received by June 30, 2009. One hundred percent of their projects will have to be obligated by March 2, 2010.

Does this work translate into true recovery? If unemployment in the construction industry overall stands at over 22 percent today, a legitimate question to ask is whether stimulus investment in transportation has made a difference or not. The answer is clearly yes.

Unemployment for construction workers in America increased by nearly 600,000 by the end of 2009 to two million, up from 1.43 million in December 2008. That increase took place because of a huge drop in private construction activity. In 2009, housing and commercial construction both came to a virtual standstill. According to the U.S. Census Bureau as of December 2009, "Overall construction spending was at the lowest level in six years."

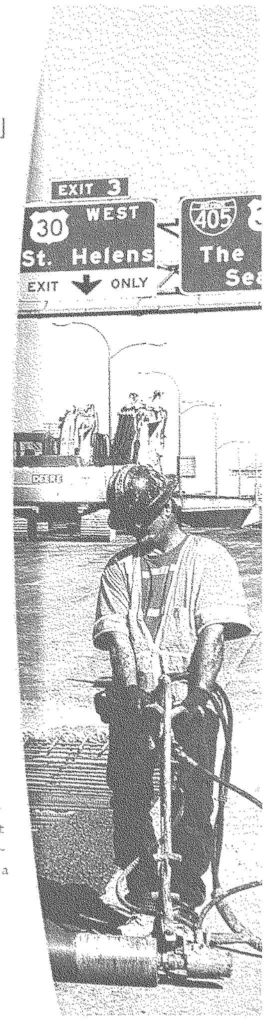
So what is the picture for transportation construction? According the Census Bureau, public transportation construction, fueled by recovery act dollars, was 20 percent higher in December 2009 than December 2008. Spending on highway construction projects averaged $85 billion for the last five months of 2009.

According to Alison Black, senior economist for the American Road and Transportation Builders Association, "Recovery funding has been the lifeline that has, thus far, kept much of the industry afloat during the economic downturn." She added that while federal recovery funds have added jobs, many state transportation departments have been forced to reduce state-funded contracts due to a fall-off in state revenues.

What the data shows is that hundreds of thousands of jobs have been created or preserved through over 9,200 highway and transit recovery act projects under way in all 50 states. Since then, contracts have been let and even more projects are underway. As this report will show, there is no question that investing in transportation infrastructure has been fast and effective.

Tennessee Governor Phil Bredesen breaks ground on an economic recovery bridge project with subcontractor John Allen and his grandchildren.

# INTRODUCTION




## The Untold Transportation Success Stories of Economic Recovery

There are many ways to measure the success of transportation spending under the economic recovery program.

- **The projects**—miles of bad road improved, bridges repaired, aging interstates rebuilt or made safer, new access to boost a community's economic growth. Lasting improvements to our transportation system.
- **The paychecks**—workers who find a job after months of unemployment; contractors who by winning a bid can keep employees on the job, and recall others perhaps laid off; suppliers who provide concrete, asphalt and steel; local diners, laundromats, grocery stores where people spend their pay.
- Finally, **the people**—who gain an hour a day from a better commute; who drive on safer highways and bridges; who see new jobs result in the economy and new opportunities to grow.

The first year of transportation investment under the American Reinvestment and Recovery Act is not just about numbers, the faces, the state-by-state results of taxpayer dollars well spent—although they are all important. It is really about the American spirit—people ready and eager to work for the ultimate good of the entire country.

The message is clear. Working with federal and local partners and the transportation industry, states delivered good jobs and good projects at an astonishing pace—11,000 projects in a year; resulting in payrolls of more than $1.4 billion for workers on highway and transit jobs.

Yet every state knows that this is only a down payment on the true investment needed in our transportation system. States have another 10,000 projects at the ready—meaning more potential for jobs and the resulting improvements in our aging highways and bridges, transit systems, and transportation network. This can be achieved through enactment of an immediate jobs bill to keep the momentum going, but even more importantly, the enactment of a multi-year authorization of surface transportation programs.

**Transportation projects mean paychecks and a better future for America.**

# A Needed Boost to the Economy

*By Susan Martinovich, AASHTO Vice President, and Director of Nevada DOT*

*Susan Martinovich, AASHTO Vice President*

ARRA really provided a shot in the arm to our state. With it, we started 69 different projects in every county in Nevada. When you put money into infrastructure, you are putting contractors to work, you are putting engineers to work, you are putting the people who provide the materials, striping paint, asphalt, and gravel to work. An economist recently looked at our efforts in southern Nevada and found that for every dollar spent, we saw over $1.50 back in economy and jobs.

Nevada used ARRA money for a variety of jobs, large and small, to ensure we could spread the funding around the state. One of our larger projects involved improvements to I-80, northern Nevada's main east-west artery. The $12.4 million project will provide a safer, smoother route for travelers. In Humboldt County, another large project will use $7.1 million in stimulus money combined with innovative construction techniques to improve safety and add new and more accessible sidewalks and ramps to the downtown corridor of Winnemucca while pumping more than $1 million in direct payroll dollars into the local economy. A smaller project allowed us to install a wildlife overpass on heavily traveled US 93 in rural Nevada. This area experiences one of the state's highest vehicle-animal collision rates. Working in partnership with the Nevada Department of Wildlife and local community groups, recovery money allowed us to construct a wide, fenced overpass walkway to direct mule deer and other large animals over the road for the safety of the drivers.

Looking ahead, one thing is clear: our contractors need to see a continuous funding commitment from the federal government to sustain jobs, buy expensive equipment, and stay in business. We know that an investment in infrastructure pays off—you receive a good product that helps improve safety, helps reduce congestion, and creates a smooth ride.

Now it's time to take the next step. It will be good for our communities and good for the economy.

# CHAPTER 1

## Recovery—One Year, 11,000 Projects

On February 17, 2009, President Barack Obama signed the American Reinvestment and Recovery Act into law, releasing some $48 billion to jumpstart the nation's flagging economy and rebuild our aging transportation systems. One year later, state transportation departments have set an amazing record of speed and efficiency, providing tens of thousands of jobs and billions in paychecks to American workers.

***Transportation's Recovery Dollars***

- $27.5 billion for highways and bridges;
- $8.4 billion for transit;
- $9.3 billion for passenger rail;
- $1.5 billion for competitive surface transportation grants;
- $1.1 billion for aviation; and
- $100 million for small shipyard grants.

What lasting benefit has resulted from the investment of dollars and determination?
As of January 22, 2010 the record is remarkable:

## Restoring Highways and Bridges

Determined to move swiftly to put recovery dollars to work, Congress directed that $27.5 billion in highway funding flow through the long-established federal highway program. Funds were apportioned to the states and from there to local governments. Projects were identified by the states and their metropolitan planning organizations, sent in for federal approval, put out for bids, and awarded. With bids running as low as 30 percent below estimates, states found they could stretch federal dollars even further, creating more jobs and more miles of improvements. California, Georgia, and Texas awarded more than 90 percent of their highway contracts for less than their cost estimates. As soon as contractors won bids they rushed to recall workers or hire new ones, order materials, and reserve equipment.

Did recovery dollars make a difference in the industry? With construction industry unemployment higher than 20 percent, public-sector highway construction increased by 5 percent over the prior year.

Since federal dollars began flowing on March 2, states and their local partners have moved forward with thousands of highway projects. As of January 29, the Federal Highway Administration reported:

- 11,100 highway projects have won federal approval to proceed;
- 7,047 highway projects are under contract or ready to proceed; and
- 2,143 projects are already completed.

***Pavement Preservation***

As of early January, recovery funds have improved nearly 24,000 miles of infrastructure, according to information reported by states to the House Transportation and Infrastructure Committee.

The largest investments in every state have been made in projects to improve pavement. Nearly 20,000 miles of interstates and other highways are now smoother, safer, and longer-lasting.

- With system preservation its top transportation priority, Alabama invested half of its recovery funds on resurfacing deteriorating roads. By adding $217 million to the $230 million already budgeted for resurfacing, the state was able to fix 1,300 miles of highway, compared to the 700 miles it would otherwise have addressed.

Workers on the Richmond, Vermont, bridge rehabilitation project.

- Arkansas moved swiftly to repave highways in 47 of its 75 counties, investing $50 million to rehabilitate some 170 miles of highway.
- Nevada's project to install a new asphalt surface and rehabilitate four bridge decks near Rye Patch in rural Pershing County pumped $1 million in direct payroll into a local economy suffering 10 percent unemployment.

***Interstate Rehabilitation***

The $27.5 billion in highway funding from the recovery program allowed states to address some of their most urgent projects—the rehabilitation and improvement of their aging interstates.

- Work began in May on a resurfacing and bridge repair project on a three-mile section of I-74 in Moline, Illinois, in which 10 bridges will be repaired.
- Iowa is resurfacing 10 miles of interstate and replacing four sets of twin bridges on I-29 in Warren County. The construction schedule has been reduced from six to four years for the full project.
- Maine rehabilitated 24 miles of I-295 Northbound between Topsham and Gardiner, the state's top highway priority, and the route traveled by 70 percent of the state's economy.
- Rhode Island kicked off its resurfacing of I-95 using $7.7 million in recovery funds. The project included a performance-based incentive based on smoothness of the roadway's final finish, a specification which will now be used in all of the state's freeway paving projects.

***Bridges***

Recovery projects also resulted in improvements to 1,125 of the nation's bridges, the states reported as of January 7.

Bridge projects have included 571 bridge replacements, 506 bridge improvements, and 48 new bridge construction projects.

- Pennsylvania, New York, and Indiana each reported over 100 bridge projects paid for by ARRA funds, with the majority of funding going to replace aging structures.
- New Jersey is addressing 23 structurally deficient bridges using recovery funds, one fourth of the structurally deficient bridges in the state. Some $73 million in ARRA funding is going to the Route 52 Causeway Replacement, in which two moveable bridges are being replaced with a high-level fixed span, in addition to providing numerous enhancements.
- The $70 million rehabilitation of I-244 in Tulsa, Oklahoma, will include repairs to 40 bridges on this vital access route serving the downtown business district.

***Safety***

Safety improvements were made to 1,688 miles of highway nationwide, according to data reported to the House Transportation and Infrastructure Committee.

- Recovery funding in Indiana allowed the installation of 75 miles of cable safety barriers on interstate medians on I-70, I-74, I-69, I-65, I-64, and I-265. A two-year study of earlier cable safety barriers found that while 114 vehicles hit the cable on I-65, not a single crossover crash or fatality occurred, proof that these investments save lives and reduce injuries.

- Even modest grants can make a significant difference in safety. Massachusetts invested $613,000 in recovery funds for a Safe Routes to School project in Northampton where new sidewalks and raised crosswalks will make students' walks safer along busy Jackson Street.

***Environment and Enhancements***

States also invested in transportation enhancements such as bike lanes, sidewalks, and environmental mitigation, making such improvements to some 635 miles.

- Five years after Hurricane Katrina and Rita submerged two-thirds of the roads in Orleans and St. Bernard Parishes, Louisiana is still working to repair its highway system. The state invested $9.8 million in 26 projects equating to 20 roadway miles, including rebuilt sidewalks, shared-use bike lanes, dedicated bike lanes, and trees.
- Massachusetts devoted $60 million to three bike and pedestrian projects including the final link in the Charles River park and pathway network by constructing a 700-foot-long bridge over the MBTA commuter tracks. The project completes the vision of providing continuous access along the Charles River to Boston Harbor.

***Pavement Widening***

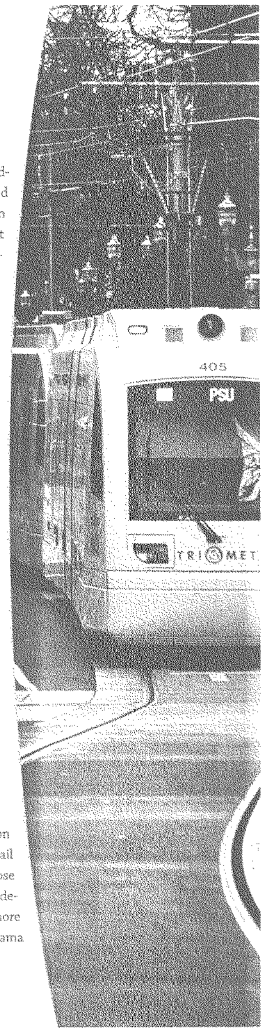
States have reported to Congress that pavement widening for safety and congestion relief has been undertaken for 623 miles.

- Pavement widening will ease congestion at the interchange of the Palmetto Expressway and Dolphin Expressway in Miami-Dade County, Florida. The $589 million interstate reconstruction will include construction of over 40 bridges. It is the final part of a 16-mile improvement to the Palmetto Expressway.
- In the northern suburbs of Detroit, a five-mile section of M-59 has been a serious bottleneck for a decade, as an otherwise six-lane highway was reduced to four lanes. A $50 million project will widen the road to three lanes in each direction, including replacement of six bridges and rehabilitation of three more. An estimated 1,214 jobs have been created or saved because of the project.

***New Construction***

New construction of 230 miles of highways has also been made possible by recovery funds. While small in proportion to pavement preservation, the new highway construction is seen as key to economic development and to congestion relief.

- The $432 million I-4/Selmon Expressway Connector in Hillsborough County, Florida, is a new toll road using recovery funds. It will connect the two highways and provide thousands of trucks direct access to the Port of Tampa and the interstate, improving the efficient movement of goods throughout the region.
- Owensboro, Kentucky, the third-largest city in the state, has been hard-hit by the recession, with unemployment around 9 percent. Construction of the US 60 Bypass Extension, a $37.6 million project including $27 million in recovery funds, will be part of a new four-lane corridor connecting the city to Interstate 64 at Dale, Indiana. It will also provide better access to schools and a new hospital.




## Improving and Operating Transit

Funding of $8.4 billion has enabled states and transit agencies throughout the nation to address long-unmet needs for capital investment in new buses, transfer stations, track repair and renovation, and even operating assistance. As of February 4, the Federal Transit Administration reported it had obligated $7.23 billion of its recovery funding to 708 projects, nearly 87 percent of available funding. Another 216 project applications, valued at $1.07 billion were under review. If approved, FTA would have distributed $8.3 billion to 924 projects nationwide.

As FTA Administrator Peter Rogoff noted, aside from high-speed rail dollars, transit received the largest percentage boost of its program of any transportation agency—an 80 percent increase in its FY 2009 funding, with a deadline of obligating half those funds within six months, and all the funds within a year.

In addition to the $8.4 billion for transit included in the recovery act, states flexed another $330 million in highway funding for use in transit and multi-modal projects.

Among the many success stories resulting from transit recovery funding are:

- Improvements valued at $24 million to three MARC commuter rail lines in Maryland to enhance customer service and preserve existing facilities;
- A $2 million renovation of trolleys in San Diego;
- A $66 million new start grant for a metro extension in Los Angeles;
- Safety and lighting improvements to the I-205 Multi-Use Path which accommodates walking, biking, and transit; providing easier access to the new light rail system adjacent to I-205 in Portland, Oregon, a joint project of TriMet and the Oregon Department of Transportation;

A full listing of transit projects by state and city is available at:
http://www.fta.dot.gov/documents/FTA_ARRA_Awards.xls.

## On Track with Intercity Passenger and High-Speed Rail

An exciting transportation initiative that sparked nationwide enthusiasm was the dedication of $8 billion in recovery funding for high-speed and intercity passenger rail. The Federal Rail Administration worked closely with the states to develop a grants process and engage in close cooperation with states which have fostered intercity passenger rail service for more than a decade. A total of 37 states and the District of Columbia submitted grant applications totaling more than $57 billion. On January 28, before a cheering crowd in Tampa, Florida, President Obama announced the award of grants to 31 states and the District of Columbia. (www.highspeed-rail.org).

Grant awards ranged from $2.34 billion to four projects in California to planning funds to enable other states to move forward with intercity passenger rail projects for possible future funding.

- In Florida, some $1.25 billion in recovery grants will go toward the creation of a new high-speed rail corridor that connects Tampa Bay, Orlando, Miami, and other communities in central and south Florida;
- North Carolina and Virginia received $620 million in funding for improvements to 480 miles of track in the Southeast Corridor connecting Charlotte, Raleigh, Richmond, and Washington, DC;
- Wisconsin and Minnesota will receive some $823 million to upgrade, build, and plan 441 miles of track to establish intercity passenger rail service between Milwaukee and Madison by 2013. Improvements between Chicago and Milwaukee will ultimately reduce travel time by more than 30 percent and increase maximum speeds from 79 mph to 110 mph. Eventually, passengers will be able to travel from Chicago to the Twin Cities at a top speed of 110 mph, saving time and energy.

"This historic day is the culmination of more than a decade of work by state DOTs across the country to revive passenger rail as a major transportation option in America," said Gene Conti, Secretary of the North Carolina Department of Transportation and Chair of the AASHTO Standing Committee on Rail. "This is also only the beginning of that resurgence. States stand ready to plan, build, and deliver high-speed rail for the United States."

Meanwhile, Amtrak put some $1.3 billion in recovery funds to work, including $450 million for capital security grants. Amtrak estimates that its ARRA-funded projects will create approximately 4,600 jobs or 8,800 full-time equivalent positions over 2 years.

Among the Amtrak projects funded with the recovery program grants were:

- $100 million for facility repair across the nation;
- Return of wrecked rail cars and locomotives to service;
- Repair and replacement of aged Amtrak-owned rail bridges in the Northeast; and
- Construction of new facilities to serve growing numbers of commuters.

A full description of Amtrak projects is available at:
http://www.amtrak.com/servlet/ContentServer/Page/1241245669222/1241256467960.

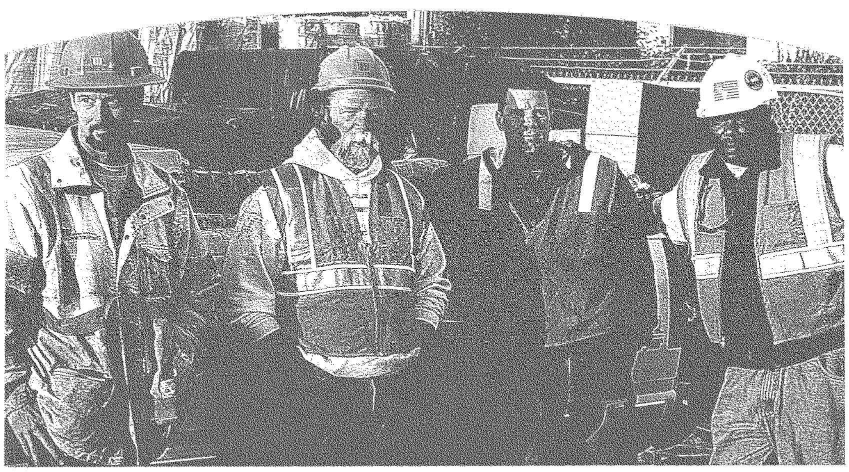
Further examples of state projects, by state or by kind of improvement, can be accessed at the new AASHTO website: www.recovery.transportation.org.

# CHAPTER 2

## Constructing Jobs: The People Behind the Stimulus Numbers

Transportation turned out to be a marvelously efficient way to help stimulate the economy.
Just a year after the stimulus bill was signed into law, over 11,000 projects are already completed or are underway, putting tens of thousands of Americans to work—many of whom had been unemployed for months.

Construction trade unemployment in Michigan last year probably topped 40 percent, according to Kirk Steudle, the state's transportation director. One person who had been out looking for more than half a year was Frank Anzenberger. As Steudle says, ***"This is a guy who has been in the industry for 30 years—***



Charles Graham, Dean Libhart, Erik Buholm, and Rich McKinney were all out of work for months before landing jobs on the I-5 Port of Tacoma to King County Line HOV project.

***not a newbie.*"** But with the economy still sluggish and so little building going on, Anzenberger might have stayed out of work for many months to come.

Instead, Anzenberger was not only hired, he had the chance to introduce Vice President Joe Biden at a Kalamazoo ceremony last June marking the approval of the 2,000th transportation project funded by the stimulus bill, formally known as the American Recovery and Reinvestment Act, or ARRA. ***"The economic stimulus does mean to me that I'm going to have a weekly paycheck,"*** Anzenberger said.

His story has been repeated all over the country. Fred Arellano, a construction worker with 33 years experience, went out looking for work every day for four months without success until he landed a job supervising an ARRA-funded $17 million paving project in southern New Mexico.

Rhea Mayolo, a divorced mom who had been supporting her kids by working multiple jobs waiting tables and keeping books, found a more comfortable living after being hired by a Maryland engineering firm that had received some stimulus work last spring.

***"There are some really talented people who are out of the workforce,"*** said Jim Duit, president of a construction company in Edmond, Oklahoma. ***"If it wasn't for the stimulus, we would have laid off 40 or 50 percent of our people."***

## Putting People to Work

By including $48 billion in new transportation funding over two years, states were able to move quickly through the contracting phase and get needed salary dollars out the door to thousand who might otherwise been in the unemployment line.

***"I'd much rather give money to a contractor who is doing real, meaningful work for our state than to have to extend unemployment benefits,"*** said Susan Martinovich, director of the Nevada Department of Transportation.

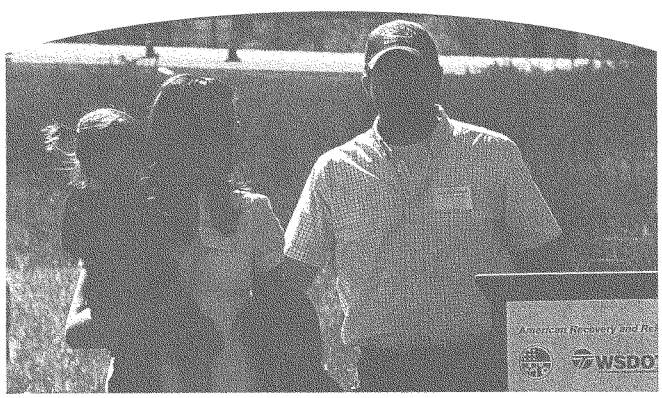
All Bart Presinger wanted was a job. After being laid off at the start of 2009, Presinger sent out more than 50 resumes during the next six months. Despite having worked in construction for a quarter of a century, Presinger could not get a nibble. Finally, Presinger was hired as a project manager, overseeing the construction of three miles of new six-lane highway, connecting the California–Mexico border with Interstate 805—a key conduit for international trade where truck traffic is expected to double by 2020.

Presinger is overseeing 115 people at the work site and only regrets that there isn't work for more. He knows how tight things can get when you are out of work. ***"We were skimping everywhere we could and we were maybe two months away from possibly missing a payment on the house,"*** he said. ***"Thank God I got hired on. It really saved our way of life."***

Up the Pacific Coast, a two-year job widening Interstate 5 between the Port of Tacoma and the King County line put back to work several laborers who had been idle for months in Washington state. Many members of Laborers' Local 252 struggled to support young families and elderly parents and, in Michael Joseph's case, caring for a wife battling cancer. Joseph had only worked four months of the previous 12 before he was hired on for the Interstate job. ***"I just started crying,"*** he said after getting hired. He had been helping to care for his ailing wife, and he could not keep up with the costs without work. ***"For me, health care is everything,"*** he said.

Across the country in suburban Maryland, three ARRA-funded projects allowed Guardrails, Etc., a minority contractor/subcontractor, to hire back 15 employees last May—ending layoffs that had reduced its workforce by 25 percent. The company was also able to buy two trucks, one new and one used, to work on the jobs. ***"I am so thrilled to be working on these projects and keeping my people on the payroll and off of unemployment,"*** said Marnie Beier, Guardrails' president.

Adam Zaharick's concerns centered on education. For two summers in a row, he had worked as a laborer in central Pennsylvania, allowing him to pay his own way through college without taking on debt. Last




Columbia Asphalt construction worker Jeff Randolph with his family.

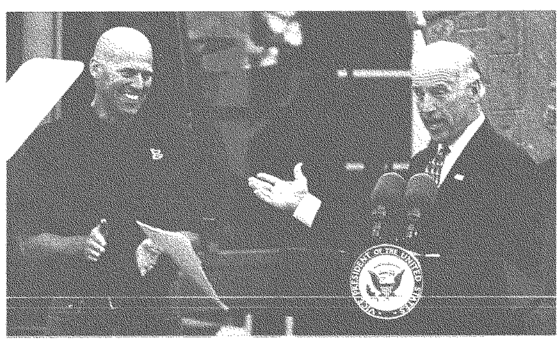
spring, it looked doubtful that he would be recalled for a third season until his boss landed an ARRA-funded project that saved or created 30 jobs.

***"Altogether, more than 7,000 people are directly working on transportation and water infrastructure projects now,"*** Pennsylvania Gov. Ed Rendell said. ***"These 7,000 people are earning paychecks and are able to pay their bills, shop in their community, and help get this economy revved up."***

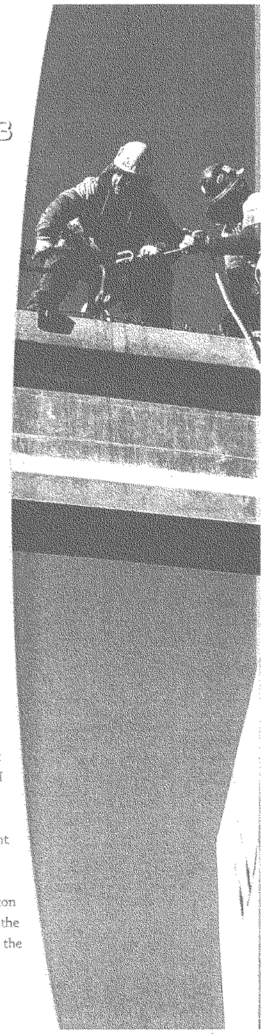
## Benefits Ripple Through the Entire Economy

As grateful as contractors are to be able to put crews of 50 or 250 people back to work, the amount of direct hiring funded by ARRA tells only a portion of the story. The number of jobs for engineers, concrete mixers and stripe painters badly undercounts the impact on employment from state DOT projects. Stimulus provided 10 percent of the business enjoyed by Michael Hawbaker's construction company in Pennsylvania last year, saving more than 120 jobs. But his company also owns a pre-stressed bridge operation, which benefited from nearly as much work on other stimulus projects. ***"None of those count (in the "official" ARRA jobs' tally) because they're suppliers,"*** Hawbaker notes.

With gas tax and registration fee receipts in decline, the recovery dollars came along at just the right moment to help contractors, construction workers, and the industries that serve them—equipment manufacturers and rental companies, steel makers and quarries, motel owners and restaurants near their sites. ***"Bring on the hardhats and the payloaders, the engineers and surveyors, the lunch trucks and the laundromats and countless other people and employers who stand to benefit from a boost to our economy,"*** Connecticut Governor Jodi Rell said in celebrating a $73 million project to widen Route 1 and replace Amtrak's bridge over that highway.



Craig Miller, Project Supervisor for O&G Industries on Connecticut's Merritt Parkway Project, is thanked by Vice President Joe Biden for his work.



# CHAPTER 3

## The Long-Lasting Benefits for Long-Term Recovery

Although the overriding goal of the recovery act was to get people working—something transportation was able to accomplish most effectively—the money spent on infrastructure was far from make-work. Thanks to projects undertaken by state transportation departments and their local government partners, congestion will be eased at major chokepoints in metropolitan areas such as San Francisco, Trenton, and Denver. Rural areas from Alaska to North Carolina are witnessing the construction and rehabilitation of roads and bridges that provide a lifeline for their communities.

"Across the country, the recovery program will leave a lasting transportation legacy. People will be driving on the newly paved roads for decades or traveling over bridges for another 100 years. Transit will be improved, new highways built, and bike and walking paths constructed to provide safer access to schools. In short, for every transportation dollar spent now, we are giving something back that will be permanent for the future," said Larry "Butch" Brown, AASHTO President and Director of the Mississippi Department of Transportation.

Pennsylvania is making a big dent in reducing the nation's largest inventory of structurally deficient bridges; their overall total went down last year for the first time in nearly a decade. Indiana's transportation projects to add cable guardrails on 74.8 miles of its interstate highways has already reduced the number of highway fatalities to their lowest level since 1925.

One constituent wrote, "I just wanted to thank you for installing the safety cables along I-70 near Richmond, Indiana. We were traveling east on I-70 on 9-11-09. I nodded off for a second and ended up getting caught by the safety cables. It was about 3:45 in the afternoon. Without the safety cables we and oncoming traffic would have been involved in a horrific accident. I don't know how to thank you enough for saving our lives."

Projects in Missouri, Texas, and Rhode Island, among other states, have led to direct investment from the private sector that will dwarf the outlay from state transportation departments.

"It showed that the DOTs around the nation are good stewards of our funds," said Mark Compton of American Infrastructure, a contractor based in Maryland. "In some states, they doubled the program for the year. The projects were put out, they were done well, and now we really have the assets."


## More Work for Every Stimulus Dollar

And states have gotten a bargain. A study by the Government Accountability Office found that for 10 states and the District of Columbia, the majority of contracts are being awarded for less than the original cost estimates. In Georgia, contracts came in, on average, 30 percent lower than state estimates, while Colorado and Massachusetts have seen savings of 15 percent, on average. It became clear to states that contractors who have to make debt payments and payroll were hungry for work. Out-of-state bidders have become common place and today it is not unusual for state DOTs to get eight or 10 bids on projects totaling under $1 million—leading to great savings for taxpayers.

"Our money's going further and we're able to deliver more improvements for the dollar," says Paula Hammond, Washington State's secretary of transportation. "We call it a two-fer—we get good transportation improvements and we were able to put people to work."

The transportation improvements are key. Although the stimulus dollars are being spent quickly, they will have a lasting impact in improving the nation's strained transportation network. "You not only create jobs today, you ensure the economic vitality of the future," says Oklahoma DOT Director Gary Ridley. "When we think of the aging infrastructure that we have in our state, our country, our communities, the investments made many years ago are what drive the economic engine of today.

"Certainly, if the federal government wishes to spur the economy not only today but in the future, putting the money into infrastructure is absolutely the best thing to do."

The people who work in transportation in America are deeply grateful for the help they've received through the federal stimulus. There's no question that it filled a gap in funding for states that have struggled over the past year and continue to face budget shortfalls in the billions. And people who work at state transportation departments are enormously proud that they have been able to meet the challenges set forth by Congress and the Obama administration. They have spent this money both wisely and at a breakneck pace, while meeting unprecedented demands for accountability and transparency.

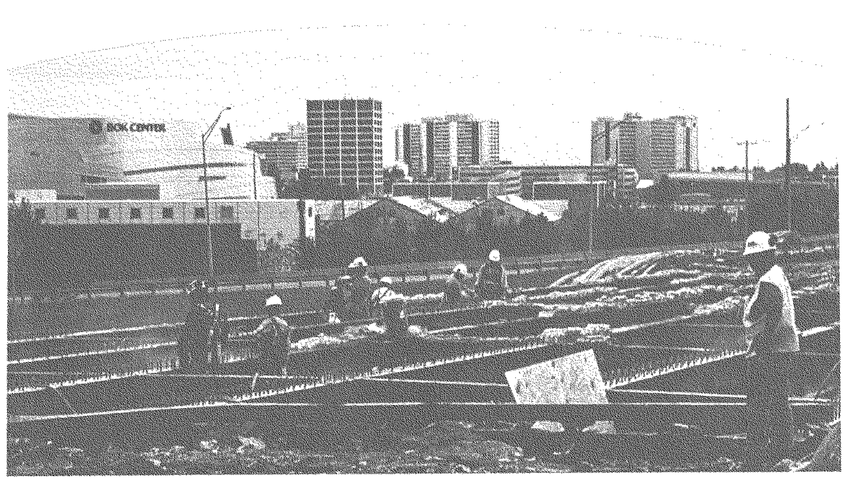
## Moving Faster

Minutes after the President signed the Recovery Act on February 17, 2009, Missouri transportation officials met beside a dilapidated bridge over the Osage River that connected, among other things, the state capital with the Fort Leonard Wood army post. The bridge had been built in 1933, and it had become common to see huge chunks of concrete fall below as cars passed over. Because of the structural issues, trucks had been banned from the bridge in 2007. "This is a terribly dilapidated, dangerous, outdated bridge," said Tom Wright, a Miller County commissioner.

Knowing the stimulus bill was moving fast, the Missouri Highways and Transportation Commission rushed to get ready. Before the ink was dry on the ARRA bill, commissioners officially signed off on the $9 million project to build a new bridge beside the crumbling old one. "The local people are absolutely ecstatic about it," Wright said. "It's a huge safety factor for us and we've wanted it for a long time." The Osage River bridge was only one of four projects the Missouri Department of Transportation got underway on stimulus signing day, one year ago. Other states were similarly quick off the blocks, proving an important point about transportation funding.

Contrary to the warnings from some economists that transportation and infrastructure were too slow for injecting cash into the economy, the way their funding is structured actually gets things moving quickly. Other ARRA-funded programs have to wait on actual checks from the federal Treasury. But state DOT officials are able to spend money right away, only receiving federal reimbursement some time later.

For example, by mid-November, states and local governments had obligated $20.4 billion dollars to fund just over 8,800 projects nationwide, according to GAO. The federal government had actually written checks for $4.2 billion at that point—just over a fifth of the total outlay.




Oklahoma DOT is using $65 million of its Recovery Act funds to reconstruct I-244 in Tulsa.

"The economic impact of the stimulus is not when the federal dollars are being disbursed," said Pete Rahn, Missouri's transportation director. "It occurs as soon as we let a contract and the contractors are putting in orders for steel and for workers at union locals. The minute they know they are low-bid, they start spending the money and stimulating the economy."

It is all about timing. With state budgets in freefall, said Susan Martinovich, Nevada's transportation director, "the recovery act was tremendously important because it came at a time when we were seeing a drop in our gas tax receipts. We were panicked at our ability to put out projects and even match the federal funding we were seeing."

## Stimulating the Broader Economy

Beyond the economic bonus generated by construction workers and contractors having some money in their pockets, state transportation departments (DOTs) have helped open up entire new areas for business development, paying immediate dividends to the economy.

A new bridge across the Colorado River is helping the city of San Angelo, Texas, keep its commitments to the largest new manufacturing plant it has seen in decades. In 2008, Martifer-Hirshfeld Energy Systems had agreed to locate a wind tower construction plant in San Angelo, on the condition that an early 1900s rail bridge across the Colorado River be replaced. It was simply too low and too narrow to carry Martifer's wind towers north to markets throughout the rest of the country. Texas had earmarked some funding for the project, but "only when the stimulus funds came into play were the officials able to put the needed funds in place to replace the bridge," said Phil Neighbors of the San Angelo Chamber of Commerce. "It was necessary for us to retain the jobs that they pledged to us."

In St. Louis County, the completion of a north–south highway will open up thousands of acres to development, creating up to $20 billion in economic activity over the next 20 years, according to a University of Missouri-St. Louis study.

Completion of Highway 141 had been talked about for decades, but without stimulus funding it would have been only that—just talk. "This opens up 3,000 acres in a developed urban county that doesn't have 3,000 acres of developable land anywhere else," said Mac Scott, spokesman for St. Louis County Executive Charlie Dooley. "The land was there—good property for development, and the kind of development that will help grow an economy."

In Johnston, Rhode Island, Mayor Joseph Polisena said he was "hell bent" to redevelop a parcel of land that had sat vacant for 18 years. Just 300 yards from town hall, the land was clearly a blighted property. In order to widen and improve Hartford Avenue—a prerequisite for the parcel's development—the Rhode Island DOT had completed all the necessary engineering and planning work and has assembled much of the property needed. But the state lacked the funds to finish the project. Thanks to $3.4 million from ARRA, RIDOT's work is scheduled to be completed in Spring

2011—and the first phase of a $40 million shopping and hotel complex should be finished alongside the road improvements.

"It was one of those shovel-ready projects that you hear about in the press that this stimulus was supposed to get off the ground," said Jeffrey Saletin, who is developing the property. "Our project, with so much money being put in by the private sector, is probably a project that never would have started if this road hadn't been improved."

One of the biggest stimulus project in the country is an effort to untie traffic north of the Dallas-Fort Worth Airport, where eight highways converge to create what locals call "the funnel." Despite the name, traffic does not shoot through the funnel. Instead, it's the scene of some of the worst congestion in the state, affecting commuter patterns in a multi-county area and making it a chore to get in and out of one of the nation's busiest airports for both fliers and cargo handlers.

The billion-dollar project, which received $250 million in stimulus funds, includes the complete reconstruction of three major highway interchanges and five major arterial crossings. The project will also add four managed lanes—two in each direction—that will generate revenue to fund the corridor's operations and provide a choice for travelers to pay for increased reliability and reduced travel time.

"It will not only enhance the development that's already constructed but it will improve the opportunities for economic development throughout the corridor," said Jerry Hodge, Grapevine's city engineer. The Texas project has been 15 years in the planning stages. "It was certainly a godsend and we wouldn't have been able to do as much without the economic stimulus," Hodge said.

## Getting Roads and Bridges Back in Shape

In his 1954 novel *The Ecstasy of Owen Muir*, Ring Lardner, Jr. noted that "everyone wants to build in this country, no one wants to maintain." That sentiment is no less true today. As Missouri DOT Director Pete Rahn noted, "It's not very sexy. You don't cut a ribbon for an overlay."

But, while there may be no signature ARRA-funded transportation project that people will come to think of as emblematic—no lofty new bridge that redefines a city's skyline or brand-new interstate connecting ports with the prairie—state DOTs are accomplishing something equally important. They are making it possible for drivers to make better use of existing roads and bridges that, thanks to current preservation efforts, will last for a much longer time to come.

"People get frustrated with always seeing the construction barrels and cones, but as we open up some of the areas of congestion—along I-405 we straightened out a troublesome S-curve where

people used to sit every morning, and now the bottleneck is gone—we've given them back an hour of their day," said Washington State Transportation Secretary Paula Hammond.

Up in Alaska, the Glenn Highway is the only highway north from Anchorage into the state's vast interior—the primary route for goods heading north from the Port of Anchorage and oil field modules and equipment bound for the North Slope and the Trans-Alaska Oil Pipeline. In addition, the highway serves as a major commuter route, carrying 42,390 vehicles daily—a significant number anywhere but especially so in a lightly populated state.

Despite its importance, the Glenn Highway was in bad shape. "I don't want to use the word hazardous, but it was certainly a challenge to travel the Glenn Highway," said John Fuglestad, general manager of Quality Asphalt Paving. "Certainly this project did need to be done because the road was severely rutted." Putting its own team and a group of subcontractors to work—the project employed 177 people at its peak—QAP resurfaced 14 miles of highway from Hiland to Eklutna, on time and under budget. Because of the use of studded tires in the area, the project included Alaska's largest application of a rubberized asphalt pavement mix, which for a relatively minor increase in cost is expected to nearly double the life of the pavement.

States have taken advantage of the ARRA money to clear up nettlesome problems that they simply couldn't afford to address before. In Alabama, increased costs have meant that the number of deficient miles of roadways increased by 29 percent from 2003 to 2008, despite the fact that the Alabama DOT had doubled the amount of funding for resurfacing. The state DOT decided to devote roughly half its portion of the stimulus funds—$48 million—to resurfacing existing roads including an effort to rehabilitate an 11-mile section of old and deteriorated concrete pavement along Interstate 59 in Etowah County. Work on the section had been delayed for years, because the project would have eaten up half the state's annual apportionment for Interstate maintenance.

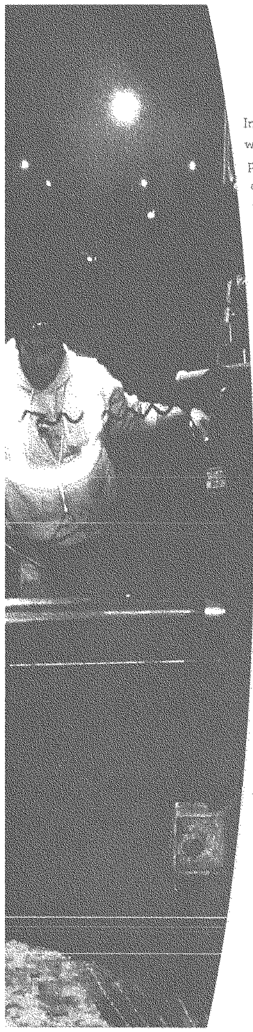
Along similar lines, Pennsylvania is devoting a good deal of its ARRA program to getting its bridges back into shape. The state has a backlog of 5,700 structurally deficient bridges statewide, including 37 located on Interstate 95. PennDOT decided to invest $70 million to repair the Girard Point Bridge—one of the state's largest and most important, daily carrying more than 84,000 vehicles per day across the Schuylkill River, just south of downtown Philadelphia. The bridge, built in 1973, is starting to show its age. The current corrective work will help keep traffic moving along one of the nation's busiest corridors and obviate the need to spend much more on repair or even replacement in the future. "I can't tell you how important it has been," said PennDOT Secretary Allen D. Biehler. "Pennsylvania has absolutely been struggling with a backlog of bringing our roads and bridges into good repair."

West Virginia decided on a similar approach, rehabilitating 26 bridges all across the state. "The funding was a welcome infusion," said West Virginia DOT Secretary Paul Mattox, Jr. "Many of these bridges were built early in the 20th Century. By replacing these rural bridges, we will greatly improve the safety of motorists—our residents, tourists or travelers—throughout this region."

## Relieving Chokepoints

All states have clearly benefited from the funding opportunities that ARRA has afforded them. Along with repair work and new projects, states have been able to expand their capacity at critical chokepoints. Groundbreaking occurred this month for construction of a fourth bore through the Caldecott Tunnel, which connects Alameda and Contra Costa counties in Northern California. Presently, one of the current three bores is switched each workday to accommodate the direction or travel that is heaviest, which results in traffic backing up in the non-commute direction. The $215 million project has received one of the highest allocations of ARRA funding in the nation—$197.5 million—and will create 5,500 to 6,000 jobs.

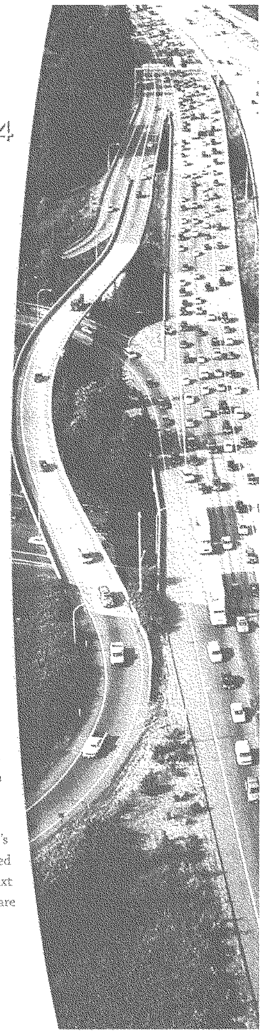
Installing guardrails to improve safety was a goal of several recovery projects.



In Delaware, backups are part of life at the I-95 Toll Plaza near Newark, Delaware—one of the worst bottlenecks along the Northeast Corridor. Average daily traffic exceeds 78,000 vehicles and peak seasonal volume is well above 100,000, all of which slows down to due limited amounts of processing available at the toll booths, causing frequent accidents. (The crash rate is nearly three times the average for interstate highways throughout the state.) By creating new EZ Pass lanes and upgrading existing ones, Delaware transportation officials predict that the number of vehicle-hours of delay will be reduced by 90 percent next year.

North Carolina is also building capacity for its busiest rural public transit system. AppalCART, which is located in Boone, now provides 1.2 million rides to Watauga County residents and students at Appalachian State—more than double the number in 2000. This boost in business has meant that the system has purchased longer buses but, at the same time, it has overwhelmed its main transit center. Thanks to ARRA, the center is now being replaced by a new "green" building.

"Our transit system has been in the same place for 24 years, and we've outgrown it," said Chris Turner, director of AppalCART. "Basically, the ARRA not only saved the state a lot of money, it provided a true stimulus for the local economy—with public transit serving as the economic engine."



# CHAPTER 4

## Looking to the Future and Longer-Term Solutions

By funding projects that enable many states to address their most pressing needs and allowing them to fix some of the weak links in their systems, stimulus has had a happy "domino effect," said Gary Ridley, Oklahoma's transportation director. ARRA has opened up holes in his state's eight-year construction program, allowing ODOT to move other projects forward. Other states have also been able to make some headway on their back inventory of needed work.

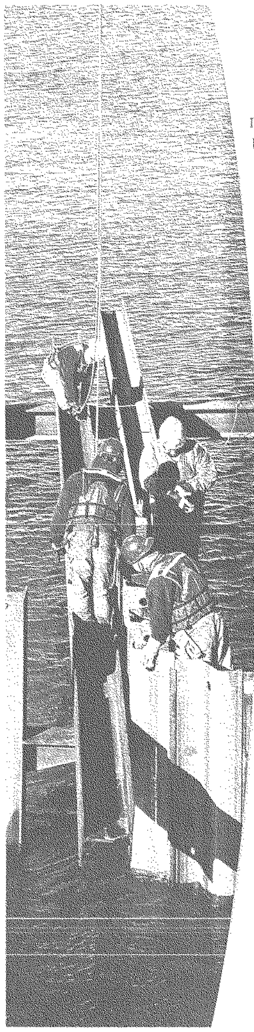
Pennsylvania Transportation Secretary Allen Biehler said, "ARRA has really had the impact that was anticipated by the people who passed this legislation in the first place. Folks I talk to—who are not the DOTs—say that the transportation stimulus money is one of the best parts of the stimulus program. The result has been tangible, meaningful improvements that the public can enjoy for years to come."

But as Biehler points out, the stimulus was the equivalent of one year's federal transportation aid. Although entirely welcome, this is not enough to clear up the backlog of projects that state DOTs are planning—and certainly not enough to provide certainty looking ahead for the construction industry.

Nevada DOT Director Susan Martinovich said, "I've heard from our contracting community that they want and need more projects. Knowing there are still projects coming out (for bid) gives them some assurance that there will be opportunities for work in the future. Without having a bigger backlog, they are reluctant to buy equipment."

Without knowing what future funding streams are going to look like, contractors such as Michael Hawbaker in Pennsylvania say they're reluctant to buy pieces of equipment that can run into six and seven figures.

"The stimulus is great but what we need is long-term stability," said Kirk Steudle, Michigan's transportation director. "If we really want to crank up the Caterpillar plant in Peoria, we need contractors to know what the scope of the transportation program is going to be for the next few years." Steudle added that the short-term extensions of the federal transportation law are causing anxiety in the transportation community.



In fact, some people in the transportation field worry that the success of the Recovery Act might be leading some in Congress to believe it has already done enough to invest in the infrastructure of this country. "My concern is that they will delay a long-term bill, which really has a negative impact on our long-term planning process," said John Cox, Wyoming's director of transportation.

A new jobs bill passed by the House reflects the central role transportation and infrastructure play in making the economy more robust. But states are hopeful that Congress will turn its attention away from temporary funding streams and toward the longer-term solutions that are desperately needed. Even with the stimulus, states have barely been able to keep up with continually rising traffic demand, and no one expects the country to lose population or see a reduction in vehicle miles traveled any time soon.

"Both the stimulus and the jobs bill will have an enormous, beneficial effect on transportation infrastructure around the country," said Colorado Transportation Executive Director Russell George. "In most cases, it will have propped up a system that was beginning to fail because of other falling revenues. But to get it on a firm setting, we need more regular funding, to recognize that even with a two-year stimulus the system is failing faster than we can prop it up."

Throughout 2010, state transportation departments will be busy finishing the work already underway thanks to last year's Recovery Act. As the one-year anniversary approaches, nearly all the ARRA funds available to transportation have already been obligated. State DOTs, however, know their work is far from complete as they continue to improve the national transportation network and help to get the economy rolling again.

In an AASHTO survey in December, states identified another 9,800 ready-to-go projects valued at $79 billion that could proceed within 120 days. Transportation investment continues to be the nation's prime opportunity for job creation and economic recovery.

# APPENDICES

**Summary of Highway Projects. Federal Highway Administration.** As of January 29, 2010

| State | Funds ($) | | Number of Projects | | |
|---|---|---|---|---|---|
| | Available | Obligated | Obligated | Notice to Proceed | Completed |
| Alabama | $513,343,313 | $445,672,226 | 226 | 126 | 15 |
| Alaska | $173,520,994 | $128,665,560 | 22 | 13 | |
| American Samoa | $4,500,000 | $4,500,000 | 1 | | |
| Arizona | $520,911,019 | $381,395,263 | 177 | 159 | 21 |
| Arkansas | $351,894,468 | $269,699,314 | 103 | 77 | 53 |
| California | $2,542,558,342 | $2,409,532,528 | 867 | 118 | 48 |
| Colorado | $385,574,130 | $371,615,726 | 99 | 64 | 15 |
| Connecticut | $299,253,956 | $249,829,812 | 88 | 36 | 3 |
| Delaware | $121,828,650 | $65,530,988 | 31 | 27 | |
| District of Columbia | $123,507,842 | $102,221,125 | 13 | 11 | |
| Federal Lands | $550,000,000 | $254,008,372 | 122 | 51 | |
| Florida | $1,348,480,707 | $1,248,507,183 | 530 | 255 | 39 |
| Georgia | $907,756,775 | $823,907,557 | 329 | 150 | |
| Guam | $18,000,000 | $18,000,000 | 5 | | |
| Hawaii | $125,746,380 | $98,324,691 | 20 | 12 | |
| Idaho | $178,878,631 | $172,706,553 | 66 | 63 | |
| Illinois | $935,592,704 | $914,909,886 | 735 | 497 | 189 |
| Indiana | $657,727,707 | $596,698,569 | 972 | 707 | 236 |
| Iowa | $357,623,007 | $354,778,952 | 232 | 191 | 48 |
| Kansas | $348,242,169 | $277,696,657 | 132 | 50 | 11 |
| Kentucky | $420,829,347 | $388,251,994 | 47 | 33 | 2 |
| Louisiana | $433,016,357 | $354,473,519 | 73 | 34 | |
| Maine | $137,552,032 | $131,002,032 | 73 | 72 | 58 |
| Maryland | $415,524,777 | $405,253,914 | 164 | 97 | 12 |
| Massachusetts | $386,404,367 | $377,605,900 | 83 | 40 | |
| Michigan | $854,995,217 | $774,491,498 | 575 | 426 | 189 |
| Minnesota | $505,550,989 | $501,942,254 | 201 | 136 | 65 |
| Mississippi | $354,564,343 | $338,527,623 | 162 | 68 | 13 |
| Missouri | $638,602,918 | $634,425,732 | 327 | 193 | 100 |
| Montana | $212,470,571 | $203,342,725 | 82 | 68 | 19 |
| N Mariana | $4,500,000 | $4,500,000 | 1 | | |
| Nebraska | $231,739,279 | $199,342,846 | 102 | 58 | 12 |
| Nevada | $201,352,460 | $192,938,147 | 64 | 18 | 2 |
| New Hampshire | $129,440,556 | $127,584,542 | 33 | 27 | 9 |
| New Jersey | $651,774,480 | $588,109,982 | 147 | 46 | 2 |
| New Mexico | $252,644,377 | $246,183,192 | 87 | 20 | |
| New York | $950,468,723 | $944,258,723 | 443 | 303 | 77 |
| North Carolina | $730,409,684 | $701,670,592 | 361 | 272 | 28 |
| North Dakota | $167,146,497 | $167,146,497 | 162 | 118 | 1 |
| Ohio | $919,627,030 | $741,228,917 | 360 | 201 | 63 |
| Oklahoma | $464,655,225 | $439,455,980 | 248 | 162 | 45 |
| Oregon | $275,930,284 | $261,830,904 | 309 | 229 | 2 |
| Pennsylvania | $1,027,679,012 | $1,023,005,447 | 303 | 270 | 85 |
| Puerto Rico | $105,000,000 | $104,808,617 | 21 | 6 | |
| Rhode Island | $137,445,725 | $125,691,595 | 55 | 52 | 20 |
| South Carolina | $463,309,029 | $419,306,686 | 171 | 87 | 3 |
| South Dakota | $186,877,359 | $181,019,030 | 48 | 23 | 5 |
| Tennessee | $575,571,043 | $525,090,271 | 277 | 262 | 142 |
| Texas | $2,240,215,146 | $1,752,845,791 | 393 | 282 | 85 |
| Utah | $213,919,543 | $205,502,386 | 111 | 97 | 93 |
| Vermont | $125,791,291 | $121,590,326 | 62 | 32 | 20 |
| Virgin Islands | $15,462,845 | $10,692,498 | 3 | 3 | |
| Virginia | $647,230,364 | $422,225,495 | 30 | 22 | 3 |
| Washington | $492,339,894 | $481,033,919 | 204 | 170 | 88 |
| West Virginia | $210,852,204 | $189,104,103 | 115 | 104 | 54 |
| Wisconsin | $531,307,063 | $443,118,157 | 308 | 253 | 168 |
| Wyoming | $157,616,058 | $157,616,058 | 65 | 59 | |
| **TOTAL:** | **$26,934,756,883** | **$24,074,418,854** | **11,100** | **6950** | **2143** |

**Miles Improved by Recovery Act Highway and Bridge Funds.** As of January 29, 2010

| State | New Const. | Pavement Improvement | Pavement Widening | Safety Traffic Management | Enhance-ments | Other | Total |
|---|---|---|---|---|---|---|---|
| Alabama | 3.6 | 585.7 | 12.1 | 22 | | | 623.4 |
| Alaska | | 102.1 | 0.3 | | 7.6 | 1.8 | 111.9 |
| Arizona | 5.8 | 300.3 | 44.3 | | 6 | 408.4 | 764.7 |
| Arkansas | 30.4 | 181.4 | 23.8 | | | 1.4 | 237 |
| California | 2.5 | 1,603.60 | 20.9 | 117.4 | 146.1 | 63.3 | 1,953.60 |
| Colorado | 4.8 | 199.1 | 16.7 | 63.7 | 14.7 | 3 | 302.1 |
| Connecticut | | 53.1 | | 0.1 | | | 53.2 |
| Delaware | | 35.5 | | 108.6 | 1.7 | 7.3 | 153 |
| District of Columbia | | 31.3 | 0.3 | 14 | | | 45.6 |
| Florida | 8.4 | 426.8 | 62.2 | 125.6 | 84.8 | 14.1 | 721.8 |
| Georgia | 17.6 | 975.5 | 20.5 | 100.9 | 27.2 | 0.4 | 1,142.10 |
| Hawaii | | 21.5 | 0.6 | | | | 22.2 |
| Idaho | 5.1 | 103.9 | 15.5 | | 0.5 | 45.7 | 170.7 |
| Illinois | 3.8 | 825.4 | 1.3 | 7.9 | 16.5 | 41.3 | 896.3 |
| Indiana | 5 | 1,391.50 | 16 | 67.3 | 24.7 | 57.2 | 1,561.70 |
| Iowa | 3.9 | 249.7 | | | | | 253.6 |
| Kansas | 2.9 | 88 | 21.1 | 0.4 | 0.8 | 7.3 | 120.7 |
| Kentucky | 5.8 | 77.9 | 14.2 | 1.1 | 1.9 | | 101.1 |
| Louisiana | 4.3 | 29.5 | 2.6 | | 0.2 | | 36.7 |
| Maine | | 198.8 | | | | 0.4 | 199.1 |
| Maryland | | 83 | 2.2 | 43.2 | 30.1 | 0.4 | 159 |
| Massachusetts | | 136.1 | | 7 | 2.2 | | 145.3 |
| Michigan | | 1,391.30 | 31.5 | 165.9 | 95.9 | 50.4 | 1,735.00 |
| Minnesota | | 391.1 | 3 | 69.1 | 10.5 | 4.5 | 478.2 |
| Mississippi | 4 | 299.6 | | 1 | 3 | | 307.6 |
| Missouri | 35 | 1,247.20 | 57.4 | 5.1 | 52.4 | 16 | 1,413.00 |
| Montana | | 201.8 | 6.3 | 1 | | | 209.1 |
| Nebraska | | 276.1 | 2.2 | | | | 278.3 |
| Nevada | | 118.3 | | | 4.7 | 0.5 | 123.5 |
| New Hampshire | 2.8 | 567.3 | 3.8 | | | | 573.9 |
| New Jersey | | 53.8 | | 14.8 | | 16.7 | 85.4 |
| New Mexico | 24 | 201.7 | 34.3 | | 11.4 | | 271.4 |
| New York | | 774.3 | 0.2 | 96 | 4.7 | 48.8 | 924 |
| North Carolina | | 81.3 | | | | | 81.3 |
| North Dakota | | 880.2 | | | 5.4 | 9.1 | 894.8 |
| Ohio | 1.5 | 307.7 | 4.9 | 7.9 | 4.4 | 1.8 | 328.2 |
| Oklahoma | | 411.5 | 20.9 | 0.5 | 0.3 | | 433.2 |
| Oregon | | 271.2 | 12.6 | 179.2 | 3.3 | 67.3 | 533.6 |
| Pennsylvania | | 354.4 | 1 | 19.6 | 7.2 | 0.6 | 382.8 |
| Rhode Island | | 87 | | 48 | 3.5 | 3 | 141.6 |
| South Carolina | 4.2 | 229 | 19.5 | 194.9 | 11.3 | 3 | 461.9 |
| South Dakota | | 449.3 | 1.1 | | | | 450.4 |
| Tennessee | 19.8 | 589.3 | 39.5 | 0.4 | 1.7 | 27.2 | 677.7 |
| Texas | 11.3 | 1,017.30 | 34 | 4.2 | 15.7 | 3.7 | 1,086.20 |
| Utah | 9 | 165.4 | 8.1 | 3.9 | 3.5 | 3.1 | 193 |
| Vermont | | 210 | 7.1 | | 0.3 | | 217.4 |
| Virginia | 4.4 | 234.7 | 4.4 | | | 19.7 | 263.2 |
| Washington | 3.3 | 414.6 | 10 | 184.4 | 27.3 | 22 | 661.6 |
| West Virginia | 1 | 121.8 | 4.6 | | | | 127.4 |
| Wisconsin | 1.2 | 384.4 | 35.9 | 0.2 | 0.4 | 31.4 | 453.4 |
| Wyoming | | 301.5 | 3.6 | 13.6 | 3.8 | 29.6 | 352.1 |
| American Samoa | | | | | | | |
| Guam | | | | | | | |
| Northern Marianas | | | | | | 1.5 | 1.5 |
| Puerto Rico | | 33.2 | 2.5 | | | | 35.8 |
| Virgin Islands | 4.9 | | | | | 0.4 | 5.2 |
| National | 230.3 | 19,766.50 | 622.8 | 1,688.80 | 635.6 | 1,012.20 | 23,956.30 |

*Source: House Committee on Transportation and Infrastructure*

**Bridges Improved by Recovery Act Highway and Bridge Funds.** As of January 29, 2010

| State | Bridge Improvement | Bridge Replacement | New Bridge Construction | Total |
|---|---|---|---|---|
| Alabama | 1 | 2 | | 3 |
| Alaska | 2 | | | 2 |
| Arizona | 4 | 1 | 2 | 7 |
| Arkansas | 1 | 4 | 2 | 7 |
| California | 7 | 2 | | 9 |
| Colorado | | 4 | | 4 |
| Connecticut | 9 | 4 | | 13 |
| Delaware | 3 | | | 3 |
| District of Columbia | 2 | | | 2 |
| Florida | 16 | | 2 | 18 |
| Georgia | | 28 | | 28 |
| Hawaii | 3 | 1 | | 4 |
| Idaho | 6 | | 1 | 7 |
| Illinois | 42 | 25 | | 67 |
| Indiana | 77 | 16 | 13 | 106 |
| Iowa | 5 | 20 | 2 | 27 |
| Kansas | 1 | 15 | | 16 |
| Kentucky | 1 | | | 1 |
| Louisiana | | 12 | | 12 |
| Maine | 5 | 3 | | 8 |
| Maryland | 10 | 2 | | 12 |
| Massachusetts | 3 | 2 | | 5 |
| Michigan | 22 | 9 | | 31 |
| Minnesota | 5 | 30 | 3 | 38 |
| Mississippi | 5 | 14 | | 19 |
| Missouri | 9 | 6 | 2 | 17 |
| Montana | 3 | 4 | | 7 |
| Nebraska | 7 | 15 | | 22 |
| Nevada | | | 1 | 1 |
| New Hampshire | | | | |
| New Jersey | 8 | 4 | 1 | 13 |
| New Mexico | 3 | 3 | 1 | 7 |
| New York | 53 | 50 | | 103 |
| North Carolina | 17 | 13 | 1 | 31 |
| North Dakota | 1 | 4 | | 5 |
| Ohio | 27 | 23 | 1 | 51 |
| Oklahoma | 6 | 55 | 4 | 65 |
| Oregon | 1 | | | 1 |
| Pennsylvania | 80 | 31 | | 111 |
| Rhode Island | 5 | 1 | | 6 |
| South Carolina | | 8 | | 8 |
| South Dakota | 1 | | | 1 |
| Tennessee | | 52 | 1 | 53 |
| Texas | | 23 | 6 | 29 |
| Utah | 3 | 3 | | 6 |
| Vermont | 6 | 2 | | 8 |
| Virginia | | | 1 | 1 |
| Washington | 1 | 7 | 3 | 11 |
| West Virginia | 25 | 26 | | 51 |
| Wisconsin | 16 | 47 | 1 | 64 |
| Wyoming | 3 | | | 3 |
| Puerto Rico | 1 | | | 1 |
| National | 506 | 571 | 48 | 1,125 |

*Source: House Committee on Transportation and Infrastructure*

**States Put Recovery Funds to Work.** As of December 31, 2009

| State | Recovery Act Funds Allocated | Recovery Act Funds Obligated | Projects Under Contract | Recovery Act Funds Associated with Projects Under Contract | Completed Projects |
|---|---|---|---|---|---|
| Alabama | | | | | |
| Highway Infrastructure Investment | $513,692,083 | $448,610,958 | 114 | $386,995,000 | 13 |
| Transit Capital Assistance | $40,132,290 | $12,977,420 | 7 | $9,682,489 | 2 |
| Total | $553,824,373 | $461,588,378 | 121 | $396,677,489 | 15 |
| Alaska | | | | | |
| Highway Infrastructure Investment | $175,461,487 | $125,300,471 | 15 | $95,765,222 | 2 |
| Transit Capital Assistance | $40,868,579 | $37,190,073 | 22 | $20,995,030 | 1 |
| Total | $216,330,066 | $162,490,544 | 37 | $116,760,252 | 3 |
| Arizona | | | | | |
| Highway Infrastructure Investment | $520,911,019 | $342,228,316 | 163 | $328,660,626 | 21 |
| Transit Capital Assistance | $99,921,878 | $97,112,399 | 24 | $20,553,636 | 4 |
| Total | $620,832,897 | $439,340,715 | 187 | $349,214,262 | 25 |
| Arkansas | | | | | |
| Highway Infrastructure Investment | $351,544,468 | $254,827,379 | 80 | $196,099,323 | 53 |
| Transit Capital Assistance | $20,573,849 | $19,636,947 | 19 | $13,634,896 | 6 |
| Total | $372,118,317 | $274,464,326 | 99 | $209,734,219 | 59 |
| California | | | | | |
| Highway Infrastructure Investment | $2,552,945,059 | $2,210,845,777 | 379 | $1,213,101,799 | 144 |
| Transit Capital Assistance | $803,266,404 | $767,496,440 | 218 | $506,130,413 | 85 |
| Total | $3,356,211,463 | $2,978,342,217 | 597 | $1,719,232,212 | 229 |
| Colorado | | | | | |
| Highway Infrastructure Investment | $385,324,130 | $303,414,765 | 65 | $285,234,188 | 15 |
| Transit Capital Assistance | $121,307,240 | $113,428,567 | 27 | $71,955,739 | 5 |
| Total | $506,631,370 | $416,843,332 | 92 | $357,189,927 | 20 |
| Delaware | | | | | |
| Highway Infrastructure Investment | $121,828,650 | $65,362,827 | 31 | $64,962,826 | 3 |
| Transit Capital Assistance | $19,000,000 | $17,994,157 | 4 | $17,700,767 | 0 |
| Total | $140,828,650 | $83,356,984 | 35 | $82,663,593 | 3 |
| District of Columbia | | | | | |
| Highway Infrastructure Investment | $123,507,842 | $102,969,659 | 12 | $99,223,833 | 1 |
| Transit Capital Assistance | $184,083,396 | $182,478,396 | 17 | $123,483,722 | 1 |
| Total | $307,591,238 | $285,448,055 | 29 | $222,707,555 | 2 |

*Source: House Committee on Transportation and Infrastructure*

**States Put Recovery Funds to Work.** As of December 31, 2009. *Continued*

| State | Recovery Act Funds Allocated | Recovery Act Funds Obligated | Projects Under Contract | Recovery Act Funds Associated with Projects Under Contract | Completed Projects |
|---|---|---|---|---|---|
| Florida | | | | | |
| Highway Infrastructure Investment | $1,346,042,707 | $1,231,623,708 | 342 | $909,208,438 | 39 |
| Transit Capital Assistance | $277,775,773 | $231,373,967 | 186 | $97,111,686 | 73 |
| Total | $1,623,818,480 | $1,462,997,675 | 528 | $1,006,320,124 | 112 |
| Georgia | | | | | |
| Highway Infrastructure Investment | $906,585,680 | $778,434,041 | 262 | $685,215,135 | 0 |
| Transit Capital Assistance | $128,782,318 | $116,901,656 | 9 | $43,973,731 | 0 |
| Total | $1,035,367,998 | $895,335,697 | 271 | $729,188,866 | 0 |
| Hawaii | | | | | |
| Highway Infrastructure Investment | $125,746,380 | $98,061,066 | 12 | $40,798,138 | 0 |
| Transit Capital Assistance | $43,582,583 | $43,582,583 | 4 | $2,888,921 | 0 |
| Total | $169,328,963 | $141,643,649 | 16 | $43,687,059 | 0 |
| Indiana | | | | | |
| Highway Infrastructure Investment | $657,967,707 | $479,940,367 | 816 | $479,940,367 | 236 |
| Transit Capital Assistance | $76,642,415 | $61,430,069 | 51 | $52,936,159 | 15 |
| Total | $734,610,122 | $541,370,436 | 867 | $532,876,526 | 251 |
| Iowa | | | | | |
| Highway Infrastructure Investment | $357,623,007 | $355,081,150 | 236 | $344,107,466 | 48 |
| Transit Capital Assistance | $35,640,339 | $33,034,369 | 90 | $27,861,169 | 6 |
| Total | $393,263,346 | $388,115,519 | 326 | $371,968,635 | 54 |
| Kansas | | | | | |
| Highway Infrastructure Investment | $347,817,167 | $278,886,370 | 85 | $247,168,728 | 11 |
| Transit Capital Assistance | $25,203,158 | $20,530,172 | 11 | $9,917,319 | 5 |
| Total | $373,020,325 | $299,416,542 | 96 | $257,086,047 | 16 |
| Kentucky | | | | | |
| Highway Infrastructure Investment | $420,854,991 | $393,081,273 | 58 | $319,692,409 | 2 |
| Transit Capital Assistance | $49,375,837 | $46,365,491 | 96 | $34,777,982 | 44 |
| Total | $470,230,828 | $439,446,764 | 154 | $354,470,391 | 46 |
| Louisiana | | | | | |
| Highway Infrastructure Investment | $429,859,427 | $347,658,498 | 51 | $240,095,715 | 0 |
| Transit Capital Assistance | $50,054,743 | $38,770,415 | 105 | $24,918,185 | 54 |
| Total | $479,914,170 | $386,428,913 | 156 | $265,013,900 | 54 |

*Source: House Committee on Transportation and Infrastructure*

**States Put Recovery Funds to Work.** As of December 31, 2009. *Continued*

| State | Recovery Act Funds Allocated | Recovery Act Funds Obligated | Projects Under Contract | Recovery Act Funds Associated with Projects Under Contract | Completed Projects |
|---|---|---|---|---|---|
| Maine | | | | | |
| Highway Infrastructure Investment | $130,752,032 | $130,752,032 | 71 | $130,752,032 | 42 |
| Transit Capital Assistance | $13,266,105 | $13,266,105 | 3 | $10,813,176 | 0 |
| Total | $144,018,137 | $144,018,137 | 74 | $141,565,208 | 42 |
| Maryland | | | | | |
| Highway Infrastructure Investment | $431,034,777 | $403,213,939 | 107 | $266,581,083 | 14 |
| Transit Capital Assistance | $136,550,987 | $110,234,914 | 46 | $85,881,996 | 12 |
| Total | $567,585,764 | $513,448,853 | 153 | $352,463,079 | 26 |
| Michigan | | | | | |
| Highway Infrastructure Investment | $847,204,834 | $743,671,443 | 392 | $573,896,200 | 219 |
| Transit Capital Assistance | $135,445,273 | $92,149,553 | 109 | $53,572,811 | 34 |
| Total | $982,650,107 | $835,820,996 | 501 | $627,469,011 | 253 |
| Minnesota | | | | | |
| Highway Infrastructure Investment | $502,284,177 | $504,899,837 | 156 | $340,924,591 | 68 |
| Transit Capital Assistance | $93,341,542 | $78,510,954 | 79 | $64,671,065 | 50 |
| Total | $595,625,719 | $583,410,791 | 235 | $405,595,656 | 118 |
| Mississippi | | | | | |
| Highway Infrastructure Investment | $354,564,343 | $334,316,586 | 77 | $292,584,063 | 22 |
| Transit Capital Assistance | $20,552,566 | $12,478,492 | 21 | $12,256,604 | 0 |
| Total | $375,116,909 | $346,795,078 | 98 | $304,840,667 | 22 |
| Missouri | | | | | |
| Highway Infrastructure Investment | $637,121,984 | $630,786,626 | 199 | $418,130,310 | 98 |
| Transit Capital Assistance | $91,683,858 | $82,447,111 | 40 | $33,898,824 | 19 |
| Total | $728,805,842 | $713,233,737 | 239 | $452,029,134 | 117 |
| Montana | | | | | |
| Highway Infrastructure Investment | $211,793,391 | $196,999,083 | 70 | $171,763,803 | 21 |
| Transit Capital Assistance | $15,611,710 | $15,611,710 | 16 | $7,949,615 | 1 |
| Total | $227,405,101 | $212,610,793 | 86 | $179,713,418 | 22 |
| Nebraska | | | | | |
| Highway Infrastructure Investment | $235,589,279 | $189,333,763 | 62 | $167,679,170 | 12 |
| Transit Capital Assistance | $23,790,610 | $16,202,207 | 26 | $13,584,397 | 9 |
| Total | $259,379,889 | $205,535,970 | 88 | $181,263,567 | 21 |

*Source: House Committee on Transportation and Infrastructure*

**States Put Recovery Funds to Work.** As of December 31, 2009. *Continued*

| State | Recovery Act Funds Allocated | Recovery Act Funds Obligated | Projects Under Contract | Recovery Act Funds Associated with Projects Under Contract | Completed Projects |
|---|---|---|---|---|---|
| Nevada | | | | | |
| Highway Infrastructure Investment | $201,352,460 | $129,359,883 | 22 | $92,731,988 | 2 |
| Transit Capital Assistance | $49,463,770 | $47,403,308 | 21 | $43,851,274 | 3 |
| Total | $250,816,230 | $176,763,191 | 43 | $136,583,262 | 5 |
| New Jersey | | | | | |
| Highway Infrastructure Investment | $651,774,480 | $515,023,061 | 53 | $444,679,601 | 1 |
| Transit Capital Assistance | $361,539,801 | $303,541,676 | 11 | $271,039,313 | 0 |
| Total | $1,013,314,281 | $818,564,737 | 64 | $715,718,914 | 1 |
| New Mexico | | | | | |
| Highway Infrastructure Investment | $252,644,377 | $228,776,957 | 18 | $153,910,188 | 0 |
| Transit Capital Assistance | $27,518,452 | $27,518,452 | 34 | $18,553,519 | 0 |
| Total | $280,162,829 | $256,295,409 | 52 | $172,463,707 | 0 |
| New York | | | | | |
| Highway Infrastructure Investment | $945,218,723 | $1,120,684,723 | 308 | $677,504,588 | 76 |
| Transit Capital Assistance | $1,191,488,964 | $1,019,876,285 | 70 | $932,511,418 | 10 |
| Total | $2,136,707,687 | $2,140,561,008 | 378 | $1,610,016,006 | 86 |
| North Carolina | | | | | |
| Highway Infrastructure Investment | $730,592,684 | $706,422,428 | 255 | $532,469,621 | 11 |
| Transit Capital Assistance | $99,519,166 | $78,496,108 | 53 | $32,434,404 | 6 |
| Total | $830,111,850 | $784,918,536 | 308 | $564,904,025 | 17 |
| North Dakota | | | | | |
| Highway Infrastructure Investment | $170,126,497 | $166,744,374 | 119 | $131,667,378 | 2 |
| Transit Capital Assistance | $10,997,089 | $10,997,089 | 10 | $4,908,794 | 3 |
| Total | $181,123,586 | $177,741,463 | 129 | $136,576,172 | 5 |
| Ohio | | | | | |
| Highway Infrastructure Investment | $935,677,030 | $641,049,939 | 201 | $422,778,551 | 47 |
| Transit Capital Assistance | $164,269,076 | $128,835,726 | 270 | $108,519,803 | 97 |
| Total | $1,099,946,106 | $769,885,665 | 471 | $531,298,354 | 144 |
| Oklahoma | | | | | |
| Highway Infrastructure Investment | $464,655,225 | $416,825,785 | 173 | $411,363,800 | 57 |
| Transit Capital Assistance | $35,798,236 | $31,848,236 | 26 | $19,578,206 | 1 |
| Total | $500,453,461 | $448,674,021 | 199 | $430,942,006 | 58 |

*Source: House Committee on Transportation and Infrastructure*

**States Put Recovery Funds to Work.** As of December 31, 2009. *Continued*

| State | Recovery Act Funds Allocated | Recovery Act Funds Obligated | Projects Under Contract | Recovery Act Funds Associated with Projects Under Contract | Completed Projects |
|---|---|---|---|---|---|
| Pennsylvania | | | | | |
| Highway Infrastructure Investment | $1,026,429,012 | $1,018,325,654 | 293 | $928,282,392 | 89 |
| Transit Capital Assistance | $259,779,964 | $194,620,984 | 76 | $221,520,992 | 16 |
| Total | $1,286,208,976 | $1,212,946,638 | 369 | $1,149,803,384 | 105 |
| Puerto Rico | | | | | |
| Highway Infrastructure Investment | $105,000,000 | $71,671,791 | 6 | $17,043,964 | 0 |
| Transit Capital Assistance | $57,102,729 | $39,401,918 | 4 | $23,066,449 | 0 |
| Total | $162,102,729 | $111,073,709 | 10 | $40,110,413 | 0 |
| Rhode Island | | | | | |
| Highway Infrastructure Investment | $137,095,725 | $123,686,413 | 44 | $97,994,118 | 18 |
| Transit Capital Assistance | $38,001,658 | $24,906,000 | 1 | $2,100,000 | 0 |
| Total | $175,097,383 | $148,592,413 | 45 | $100,094,118 | 18 |
| South Carolina | | | | | |
| Highway Infrastructure Investment | $463,081,483 | $408,878,352 | 124 | $388,788,516 | 23 |
| Transit Capital Assistance | $28,504,202 | $21,901,790 | 18 | $12,468,111 | 0 |
| Total | $491,585,685 | $430,780,142 | 142 | $401,256,627 | 23 |
| South Dakota | | | | | |
| Highway Infrastructure Investment | $183,027,359 | $173,152,906 | 23 | $128,127,108 | 6 |
| Transit Capital Assistance | $7,372,825 | $6,642,706 | 36 | $3,208,303 | 32 |
| Total | $190,400,184 | $179,795,612 | 59 | $131,335,411 | 38 |
| Tennessee | | | | | |
| Highway Infrastructure Investment | $572,201,043 | $515,708,749 | 247 | $492,653,204 | 136 |
| Transit Capital Assistance | $73,716,802 | $60,585,249 | 66 | $42,778,927 | 22 |
| Total | $645,917,845 | $576,293,998 | 313 | $535,432,131 | 158 |
| Texas | | | | | |
| Highway Infrastructure Investment | $2,250,015,146 | $1,488,331,424 | 450 | $1,275,455,181 | 112 |
| Transit Capital Assistance | $367,891,810 | $354,608,657 | 198 | $281,631,585 | 115 |
| Total | $2,617,906,956 | $1,842,940,081 | 648 | $1,557,086,766 | 227 |
| Vermont | | | | | |
| Highway Infrastructure Investment | $125,791,291 | $116,377,021 | 36 | $101,450,350 | 20 |
| Transit Capital Assistance | $5,680,572 | $5,680,572 | 13 | $5,680,572 | 4 |
| Total | $131,471,863 | $122,057,593 | 49 | $107,130,922 | 24 |

*Source: House Committee on Transportation and Infrastructure*

**States Put Recovery Funds to Work.** As of December 31, 2009. *Continued*

| State | Recovery Act Funds Allocated | Recovery Act Funds Obligated | Projects Under Contract | Recovery Act Funds Associated with Projects Under Contract | Completed Projects |
|---|---|---|---|---|---|
| Virginia | | | | | |
| Highway Infrastructure Investment | $694,460,823 | $411,601,654 | 40 | $296,472,240 | 11 |
| Transit Capital Assistance | $68,357,834 | $55,153,488 | 44 | $35,179,278 | 3 |
| Total | $762,818,657 | $466,755,142 | 84 | $331,651,518 | 14 |
| Washington | | | | | |
| Highway Infrastructure Investment | $491,817,337 | $409,004,899 | 171 | $390,487,675 | 88 |
| Transit Capital Assistance | $168,681,185 | $168,681,093 | 62 | $151,110,964 | 28 |
| Total | $660,498,522 | $577,685,992 | 233 | $541,598,639 | 116 |
| West Virginia | | | | | |
| Highway Infrastructure Investment | $210,852,204 | $184,412,000 | 108 | $182,080,096 | 45 |
| Transit Capital Assistance | $18,366,136 | $13,935,378 | 86 | $10,465,968 | 35 |
| Total | $229,218,340 | $198,347,378 | 194 | $192,546,064 | 80 |
| Wisconsin | | | | | |
| Highway Infrastructure Investment | $529,111,915 | $363,661,398 | 221 | $363,292,499 | 75 |
| Transit Capital Assistance | $79,249,652 | $43,034,528 | 37 | $42,478,462 | 7 |
| Total | $608,361,567 | $406,695,926 | 258 | $405,770,961 | 82 |
| Wyoming | | | | | |
| Highway Infrastructure Investment | $157,616,058 | $157,616,058 | 64 | $156,316,058 | 17 |
| Transit Capital Assistance | $9,300,399 | $7,898,695 | 18 | $7,045,545 | 2 |
| Total | $166,916,457 | $165,514,753 | 82 | $163,361,603 | 19 |
| **Grand Total** | $29,655,651,268 | $25,224,387,508 | 9,215 | $19,615,411,800 | 2,730 |

*Source: House Committee on Transportation and Infrastructure*

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**Answers to Questions Submitted by Congressman John L. Mica to Nancy J. Richardson, Director, Iowa Department of Transportation**

**Committee on Transportation and Infrastructure**
**U.S. House of Representatives**
**Hearing on "Recovery Act: Progress Report for Highway, Transit, and Wastewater Infrastructure Formula Investments"**
**March 26, 2010**

*Question #1: Your testimony states that $25 million in ARRA funding is being spent on replacement of vehicles for rural transit agencies. What is the ridership of these rural transit services and how many jobs are created by replacing the small vehicles they utilize?*

Answer #1:
My testimony referenced the $25 million that Iowa was apportioned from the Recovery Act under transit's small urban (areas under 200,000 population) and rural program. Given the project criteria for these funds, replacement of aging buses that have exceeded Federal Transit Administration (FTA) guidelines was the most effective use of the funds in Iowa. Iowa has 16 regional transit systems which provide rural service throughout the state and 15 transit systems in our small urban areas (areas under 200,000 population). These 31 transit systems provided 15,905,200 rides in CY 2009.

Most of the transit jobs supported through the Recovery Act were located with the bus manufacturers. In Iowa, some local contracts to get the new buses ready for operation, including the installation of the farebox and security cameras, provided additional local job support. In addition to manufacturing-oriented jobs, the purchase of transit vehicles with Recovery Act funds also impacted and supported employment in supporting industries (such as parts suppliers) and through induced employment due to increased consumer expenditures resulting from wages to the manufacturing-oriented and supporting industries' employees.

The $25 million of Recovery Act funds allocated to these transit agencies in Iowa funded the purchase of 216 vehicles. Small bus and van manufacturers reported an average of 188 manufacturing hours per vehicle, resulting in an estimated 20 vehicle manufacturing jobs (based on a job equaling 2080 hours per year) being supported. This estimate does not include the job impact for supporting industries or through the economic multiplier benefits associated with the investment. Nor does it account for any benefits resulting from increased or more dependable access to jobs provided by transit service or the increased safety and reliability due to replacement of vehicles that far exceeded federal standards for vehicle life.

*Question #2" You claimed in your testimony that Recovery Act funding is a "gift that keeps on giving" in regards to the fact that improvements to the transportation system provide long term benefits. Yet most of the ARRA money according to the graph in your testimony is going to pavement improvements. How do pavement improvements create long term, sustainable jobs?*

Answer #2. The "gift that keeps on giving" statement in my testimony was a reference to the long-term benefits that users receive from transportation infrastructure investments, including the pavement improvements made possible by Recovery Act funds. Pavement improvements result in smoother, safer, less costly and more reliable travel which will have a long-lasting economic impact -- the users of the system benefit for years to come. These investments do not provide value for just one or two years while being constructed – i.e., the immediate job impact -- but they sustain and support the country's economic vitality for years to come by providing an improved transportation system to move people and goods.

*Question #3: Your testimony stated that transportation unemployment still exceeds 20%. Has the overall transportation unemployment number in Iowa gone down at all since the stimulus was enacted?*

Answer #3: Iowa's seasonally adjusted unemployment rate is at 6.8 percent. March 2010 was the third consecutive month of job growth for the state with growth seen in most sectors of Iowa's economy. Professional and business services added temporary staff in both blue collar and white-collar occupations. Government employment increased primarily due to gains in local education payroll and temporary hiring of workers by the federal government for the 2010 Census. Iowa is now entering its construction season and increases in that sector are anticipated as well.

Specific to the highway construction activity, each year Iowa surveys all of the contractors with contracts as a result of our lettings for the number of employees during the last week of July. This point-in-time contractor employment number, during the peak of Iowa's construction season, increased from 4,005 in 2008 to 5,268 in 2009. This nearly 32% increase in construction-oriented employment is directly related to the additional work resulting from the Recovery Act. Additionally, the number of contractors (prime or subcontract) working on projects let through the Iowa DOT also increased by 33% from 318 contractors in 2008 to 423 contractors in 2009.

It is also important to reiterate a point in my testimony. Commercial construction activity essentially came to a halt with the recession, and it has been the public sector that has filled the void. A substantial majority of contractor work is now coming from the public sector. Without the transportation projects made possible by the Recovery Act, many more contractors would have shut their doors completed.

*Question #4: You spent a large amount of time in your testimony talking about the need for upgrades to America's transportation capacity, saying we will face an over-congestion crisis if something is not done. Yet your testimony shows that a massive amount of the Recovery Act funds were spent on pavement improvements. How do pavement improvements increase the capacity as opposed to new infrastructure construction?*

Answer #4: The backlog of transportation investment needs is substantial and includes both capacity and preservation needs. In my testimony, I did not mean to give the impression that capacity needs were more critical or that they should be accomplished first. Many assert that it is most critical to address the preservation needs of the system first. Regardless of one's viewpoint of which is more critical, the bottom line is that there are significant critical needs in both preservation and capacity. The time constraints included in the Recovery Act for obligating and expending funds resulted in most states and local jurisdictions focusing a majority of their Recovery Act resources on preservation work. Expending Recovery Act resources on preservation addressed existing critical system needs and will allow states and local jurisdictions to use more of their state, local and regular federal-aid transportation funds on needed capacity projects that take longer to develop.

*Question #5: According to your testimony 46.3% of DOT backlog for system rehabilitation, whereas 44.6% was for system expansion. Why then is almost all of the ARRA money being spend on system rehabilitation?*

Answer #5. The AASHTO 2009 Bottom Line Report documents that 46.3% of backlog for needed investment was for system rehabilitation, and 44.6% was for system expansion. As discussed in the previous response, both preservation of the existing system and expansion of it are needed and important. Congress imposed time requirements on the commitment and expenditure of the Recovery Act funds which impacted the types of projects which could reasonably be funded and completed within the requirements. The lead time necessary for undertaking system expansion projects made the use of Recovery Act funds, which carried short-term deadlines, impossible for most of those types of projects. Fortunately, the Recovery Act funds made it possible for states and local jurisdictions to reduce the preservation backlog which should help free up some future state, local and regular federal aid funds for capacity projects that take longer to develop.

**TESTIMONY OF**

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**Before the**

**House Committee on Transportation & Infrastructure**

**Hearing on**

**"Recovery Act: Progress Report for Highway, Transit, and Wastewater Infrastructure Formula Investments"**

**March 26, 2010**

Chairman Oberstar, Ranking Member Mica and Members of the Committee, my name is Jeffrey Wharton and I am President of IMPulse NC LLC. Thank you for this opportunity to present testimony regarding the job creation and retention impacts of the public transit investments included in the American Recovery and Reinvestment Act (ARRA).

IMPulse is a transit manufacturing firm located in Mount Olive, NC. We currently employ 30 direct employees (factory workers, engineers, and administrative staff). However, we have a large nationwide sub-supplier base that employs hundreds of jobs to support our transit business. Our product is Overhead Contact Hardware, which is used to support the wires that feed power for Light Rail Trains, Streetcar, Vintage Trolley and Electric Trolleybus. We are an "infrastructure" manufacturer. Our product line dates back to 1888 through the Ohio Brass Company (which we own the overhead hardware line). IMPulse is a Marmon Group / Berkshire Hathaway Company. We are a member of the American Public Transportation Association (APTA) and I serve on the APTA Board of Directors, but my testimony today is on behalf of my company.

I am pleased to report that IMPulse's new project business has grown 35% in 2009 and expected to grow at least another 10% to 15% in 2010. I do not believe my business would have survived without the investment in public transportation by way of the ARRA stimulus funding. In 2009, ARRA partially funded projects accounted for 46% of my total sales. In 2010, I anticipate the ARRA type funded projects will account for 62% of my total sales.

IMPulse's ARRA funded projects include: the Los Angeles Gold Line extension; San Francisco MUNI infrastructure improvements; San Diego electrification improvements; the Denver West Corridor line; the Pittsburgh North Shore Connector; various Dallas extensions; the Salt Lake City Mid Jordan line; Cleveland Regional Transit Authority improvements; and the Portland Streetcar Eastside Loop project through the New Starts program.

We recognize that most of these projects were already in the funding pipeline as new capital transit projects and the ARRA complemented other funding streams and expedited said projects already in place. As the program and project authorizations under SAFETEA-LU approached expiration, ARRA funding served as an important bridge between that bill and the next authorization bill.

Therefore, not all of the aforementioned sales contained 100% ARRA funding, since ARRA provided a partial amount of the total funding for each of these project sales. However, the funding pipeline is very dry when it comes to existing operations and maintenance. Hence, we have seen a 10% decline in the aftermarket orders. I know this lack of funding for "State of Good Repair" is a serious issue for the transit agencies and operators and it appears to be getting worse. In addition, many of these transit agencies are cutting service and raising fares.

In talking with my supply partners, I have come to learn how much they have relied on my business due to the tough economy.

Shirley Gaines, the President of Synehi Castings, a women-owned business, located in Greenwood, SC, told me that IMPulse has kept her business afloat. Over the past year and a half, with the decline in the automotive industry, she was able to keep 36 jobs through the orders received by IMPulse and the ARRA funded projects.

John Petro, a third generation owner for Warsaw Foundry in Warsaw, Indiana has been able to maintain 44 jobs, down from 65, due to the pick up in transit orders directly from IMPulse. John stated that the only sales growth in his business has been the transit orders from IMPulse. He has been in a survival mode. Warsaw was founded in 1923 and this is the worst it has ever been. With all the spending going on, this area, the transit market, truly makes sense and provides the biggest bang for the buck, according to John.

Mac Flynn, Plant Manager for the Brost Foundry that operates two locations, one in Mansfield, Ohio and the other in Cleveland has come to rely very heavily on IMPulse and the transit work. IMPulse accounted for over 29% of his business in 2008-2009 and definitely helped keep 50 to 60 employees gainfully employed. Brost has been in business since 1910 and hopes to stay in business another 100+ years. Transit has become a very important part of their business plan.

Lastly, Korns Galvanizing Company located in Johnstown, PA has been able to keep 44 jobs through IMPulse's transit orders. Previously, it relied mostly on commercial work and IMPulse accounted for a small portion of the total business. Today, IMPulse is one of the larger accounts. This company has been in operation since 1916 and if not for the funding of transit and the quick implementation of economic stimulus and jobs funding, they too, would have been required to make some deep cuts and difficult decisions affecting the livelihood of its workforce.

I could go on and on with suppliers in Texas, California, Illinois, Washington, etc. As you can see, the 30 person IMPulse manufacturing plant in Mount Olive, NC has impacted businesses throughout the U.S. and the ARRA funds, for those projects that we have been successful in obtaining, has directly contributed to saving hundreds of jobs.

In looking forward, the Rail supply picture has a semi-rosy tint, at least for another year. Public interest for public transit is at an all time high. When was the last time you heard a President place such emphasis on public transit in an Inauguration address. We see new transit lines that are ready to move forward that include: a new subway under Chinatown in San Francisco; the Phoenix Sky Harbor Airport Peoplemover; the MEGA Houston Light Rail project; the Minneapolis Central Corridor project; and the Honolulu High Capacity Transit Corridor. Let us not forget all the new Streetcar lines, such as Tucson, Cincinnati, Seattle, Ft. Lauderdale, Des Moines, Charlotte, among others. There are over 100 cities that want Streetcar projects.

But with all that said, the key will be the quick execution of a long term, sustainable authorization funding bill, along with a better way to streamline the Small Starts program, applying a fair formula that takes into account the enormous economic impact resulting from new Streetcar systems. Let's face it, transportation is the "backbone" of the economy and public transit is an incredibly important aspect of our national surface transportation system.

I want to make substantial long term investments to grow my business and develop new products and technologies that will improve public transit options. But I need a long term vision from our elected officials. I need to understand the strategy being implemented to provide sustainable and affordable public transportation for future generations. I want to pass on a legacy to my children and my children's children that will make me and others proud.

I want to thank this Committee for its steadfast leadership in advancing transportation investment through ARRA and your efforts to pass a new Surface Transportation Authorization bill. Let there be no mistake. There is a cliff fast approaching if we do not continue to invest and recognize the immediate and invaluable benefit that public transit provides for our economy, quality of life and the environment. Investing in public transportation provides a high return on investment in America and creates great jobs. Once again, I thank the Committee for holding this hearing and for allowing me the opportunity to present my views. I look forward to answering any questions you may have.

**RESPONSES TO QUESTIONS BY THE
HOUSE COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**

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**Following the March 26, 2010 testimony to the**

**House Committee on Transportation & Infrastructure**

**Hearing on**

**"Recovery Act: Progress Report for Highway, Transit, and Wastewater Infrastructure Formula Investments"**

**April 30, 2010**

Responses to Questions submitted by Ranking Member John L. Mica – April 7, 2010

1. *You mentioned that all of your sales were not completely funded by the ARRA. What was the percentage of the total cost of your projects funded by ARRA money?*

RESPONSE: Approximately 46% of my total sales for 2009 were funded by ARRA allocated funding.

2. *How many jobs were created in your firm itself through ARRA funding?*

RESPONSE: IMPulse hired three positions (Engineering, Quality & Manufacturing) during 2009 as a result of the sales volume, which we mainly attribute to ARRA funding.

3. *Throughout your testimony, you mentioned how your sub-suppliers have been able to retain jobs in some cases. Have there been any cases of new jobs created due to the increased orders from projects that received ARRA funding?*

RESPONSE: I am not aware of any new jobs created; only those that were retained as a result of the ARRA funded orders as mentioned in my testimony.

4. *How many jobs are supported by installing overhead wires for light-rail/streetcar projects?*

RESPONSE: I do not have any data to indentify said number of jobs. I can only state that there are many construction laborers (electricians, linemen, crane & equipment operators), along with maintenance and engineering positions needed for each new project that requires the installation of overhead electric transit projects.

5. *You mentioned that almost all of your projects were preexisting and were just waiting for a funding vehicle in order to get started. Has there been growth in the market in terms of new projects?*

RESPONSE: I would say yes as based upon the increase in the bidding stage for new projects. Furthermore, the Federal Transit Administration (FTA) New Starts report only cites 100 ongoing studies of projects that may enter the New Starts pipeline, but there are many more that they have not documented that may be under consideration in communities across the country and being developed in regional and local plans and programs.

6. *Almost all of your projects seem to be government funded in one way or another. Has there been any funding coming private investment in any of them? Have private investors signaled interest in getting involved in the light-rail/streetcar infrastructure business? Do you think private investors would benefit by doing so?*

RESPONSE: In the past the Portland Streetcar system was funding directly by the City and I believe several of the local businesses contributed to this project. In addition, I have seen investment being made by rail vehicle manufacturers for new facilities and test tracks, resulting in order opportunities for my business, such as Oregon Iron Works' new US Streetcar facility in Oregon, and the Mitsubishi/Nippon Shario new test track in Chicago. I am also seeing an increase in Design/Build/Operate/Maintain type projects that require investment and finance from the Prime Contractor. I believe there could be a market for further private investment, if it is also tied to a revenue base for increased economic development.

In addition, there are a variety of case studies available on individual projects, and each is unique. Public-private partnerships (PPPs) offer new opportunities, but on a case by case basis. The private sector financing is also leveraged by the public investment when light-rail/streetcar projects are implemented in conjunction with transit-oriented development (TOD) plans and projects. In many of these cases, the non-rail private investments in a TOD corridor are leveraged at levels as much as 6 to 1 (private to public).

7. *Before the ARRA funding how were you able to sustain your business without such large government funds?*

RESPONSE: We have survived year to year on the federal investment via SAFETEA-LU and various authorization extensions, with the exception of the Portland Streetcar (City funded). This type of unpredictable and varying funding does not enable us to invest and plan for long term growth. My sales have seen jumps up and down of 25% that take its toll on my workforce. My business has not been able to sustain any type of growth pattern as a result of a fluctuating and unstable market. I hope to see a real potential for growing my business if High Speed Rail becomes a successful reality and not just a novelty. However, without a long term federal investment strategy towards transit, I will need to look for a new business model and expand my market elsewhere, in order to grow.

8. *Have you or your sub-suppliers faced regulatory issues that have prevented projects from being completed quickly?*

REPSONSE: We have bid on many projects with the caveat that the project is subject to federal funding and the Agency is not obligating itself to the project without said funds. At times we must wait several months before award while the Agency is awaiting its full funding agreement. At other times, we have been underway in a project and either future State matching funds have been re-prioritized and the project put on hold, or subsequent FY federal allocations have not materialized as anticipated and impacted or delayed completion of a project.

Responses to Questions submitted by Ranking Member John L. Mica – April 9, 2010

1. *It sounds like Recovery Act funds have played a large role last year and this year in order for the overhead catenary equipment that your company manufactures. Do you fear a drop-off in orders for your company after the Stimulus funds have made their way through?*

RESPONSE: We are very concerned that once the ARRA money is spent and no additional funding is provided, or we continue to see delays in passing a long term transit funding bill, that our business and those of other transit manufacturing companies will be severely impacted. We will continue to go through the gyroscope of up and down years based on limited federal investment towards transit. I hope that Congress sees the important and immediate impact that funding transit has on the economy and jobs. Not to forget its impact towards climate change and energy reduction.

2. *I appreciate your comments about the need for a long-term, sustainable authorization bill, and would like to follow up on some of the policy issues you raised. Do you have any suggestions for how to streamline the New Starts or Small Starts programs?*

RESPONSE: I am glad you asked. A new recommendation being developed by the industry involves streamlining transportation decision-making, reducing procedural redundancies and accelerating implementation of Section 5309 New Starts Major Capital Investment Projects by eliminating the requirements for a federal Major Capital Investment Projects Alternatives Analysis. The FTA is the only modal administration that requires a Major Capital Investment Projects Alternatives Analysis, providing barriers to promotion of a level playing field across all modes and programs. Because this requirement is unique to FTA, the Major Capital Investment Projects Alternatives Analysis process complicates the delivery of multi-modal projects, often causing delays in overall project delivery, including project elements not subject to the Major Capital Investment Projects Alternatives Analysis process and requirements. While the planning level analyses and analytical work that occurs during Alternatives Analysis can be of value, in many instances the work is redundant with planning and/or repeated during the National Environmental Policy Act (NEPA) alternatives analysis required of all federal projects. This can cause redundant expenditure of federal, state and local resources, unnecessary increases in federal staff workload, and confusion in the general public that adversely impacts the ability of the public to comment on alternatives and participate in decision-making.

In addition to this, our industry is calling for other changes such as replacing the current Section 5309(d)(5)(A) requirement that FTA approve the advancement of a New Starts project into Preliminary Engineering with a requirement that FTA approve a project into the New Starts Program. Approval to enter the New Starts Program would convey FTA's intent to recommend a project for funding, provided the project continues to meet certain broad criteria and satisfies NEPA and other project development conditions.

We have called for expediting New Starts project delivery by expanding pre-award authority at the time of the NEPA finding beyond just property acquisition to include preliminary engineering, final design, and any early construction activities that are advanced with local funds.

The program should be changed to expand the opportunity for advance property acquisition by developing a class of acquisition for willing sellers or friendly condemnation at fair market value. Provided no alterations are made to the property prior to completion of NEPA, this change in property ownership will not prejudice the NEPA process.

New legislation should also eliminate the Section 5309(d)(5)(a) requirement that FTA approve advancement of a New Starts project into Final Design.

Further, we support advancing the concept of Project Development Agreements (PDA) as a management tool to minimize uncertainties and reduce risks, with flexibility built in to make changes to the agreement as the project evolves. The PDA should include schedules and roles for both FTA and the grantee and should define the criteria and conditions a project must meet to streamline and expedite overall project delivery and could be the basis for an Early System Work Agreement once the NEPA process is completed with a Record of Decision (ROD) or Finding of No Significant Impact (FONSI).

The above recommendations should streamline the process and enable projects to get approved, started and completed in an efficient and cost effective manner.

American Road & Transportation Builders Association

Testimony of

Stephen D. Wright
Vice President
Wright Brothers Construction Co., Inc.

Submitted to:
Committee on Transportation and Infrastructure
U.S. House of Representatives

Hearing:
Progress on Implementing the American Recovery and Reinvestment Act of 2009

March 26, 2010

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To assess the impact of this dramatic increase in the flow of federal funds into transportation construction, ARTBA tracks two measures. One is the value of new contracts awarded by federal, state and local transportation agencies for construction projects and the other is the value of construction work put in place on transportation and transportation-related construction projects. We track these measures in both nominal dollars and in real terms after adjusting for the impact of inflation on transportation project costs.

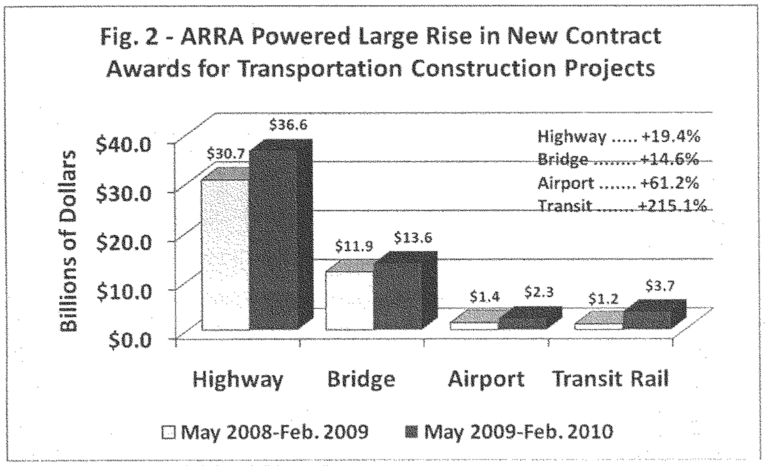
**Impact of ARRA on New Contract Awards**

Figure 2 shows the powerful impact of the ARRA transportation funds on new contracts awarded for transportation projects. Contract awards are a leading indicator of future market activity. They represent the value of future work that will occur over the next construction season and beyond, depending on the size and scope of the project. A contract is awarded to a company after federal funds have been obligated for a project and the State DOT has conducted the bidding process.

Focusing on the period between May 2009, when the ARRA began to have an impact, and February 2010, which is the latest available data, the value of new contracts awarded for each mode increased significantly compared to the same ten months between May 2008 and February 2009.

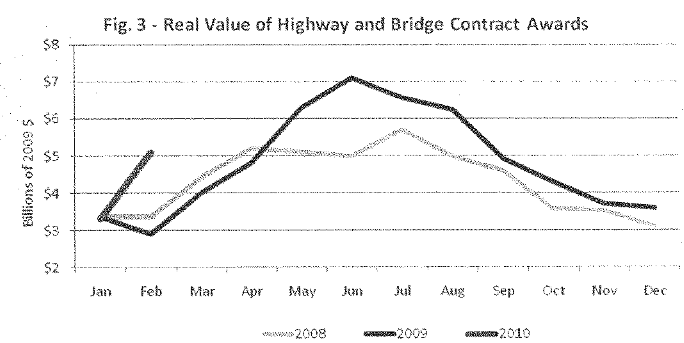
For example, between May 2008 and February 2009, when the only source of federal funds was the regular federal highway program, state and local governments awarded $30.7 billion of new contracts for highway pavement construction projects, including both new highway construction and improvements to existing highways. Between May 2009 and February 2010, the ARRA powered new contracts for highway pavement projects to $36.6 billion, a 19.4 percent increase. New contract awards for bridge construction projects rose by 14.6 percent, from $11.9 billion to $13.6 billion. Although the contract awards data includes all sources of funding, there is a clear and marked turnaround in the trend after the stimulus legislation was enacted.

The impact of the ARRA on new awards for airport and transit construction was even more dramatic. As Figure 2 shows, the value of new contracts awarded by airport authorities rose 61.2 percent, from $1.4 billion to $2.3 billion. The Federal Aviation Administration did an excellent job moving the $1.1 billion of ARRA aviation funds into construction projects and the new contract award data show the impact. Finally, Figure 2 shows that new awards for transit rail projects rose from $1.2 billion to $3.7 billion, an increase of 215 percent. Some of this probably reflects projects that were already in the pipeline, but the $8 billion in the ARRA for transit clearly contributed to the increase.




Source: ARTBA Analysis of McGraw Hill Dodge Data

ARTBA also tracks the value of contract awards in real terms, which accounts for changes over the years in material prices, inflation, and wages. The recent easing in material prices means that the real purchasing power of ARRA funds is even greater. The real value of highway and bridge contract awards, which measures the volume of construction work supported by the dollar awards, is up by $2 billion in February 2010 compared to February 2009 (see Figure 3).




Source: McGraw Hill Dodge Data adjusted with ARTBA Price Index

States awarded 1,993 projects compared to 1,600 projects in February 2009. The real value of contract awards for highways and bridges was $57.9 billion in 2009, up from $52 billion in 2008. The overall trend in contract awards is positive, despite anecdotal evidence that state DOTs and local governments are cutting programs.

In 2009, 37 states increased the real value of their contract awards compared to 2008. This is marked improvement over previous years. In 2008 there were only 22 states that had increased the value of their annual awards compared to the previous year, while the remaining 28 states decreased the real value of highway and bridge contract awards compared to 2007. In 2007 the states were evenly split – 25 increased the value of contract awards compared to 2006, and 25 decreased the total value of contract awards. Again, we cannot attribute this entire situation to the ARRA, however the timing of this dramatic shift with the release of ARRA funds and the fact that there was no other major infusion of capital during this period indicates a major influence from the ARRA on contract awards.

The result of the increased obligation of federal funds for transportation projects and the large rise in new contract awards in recent months has been a boost in transportation construction activity as ARRA-financed projects have gotten underway.

Table 1 shows that state and local governments used $26.5 billion of ARRA highway funds to finance over 12,000 highway and bridge construction projects. More than 8,300 of these projects, valued at just under $19 billion, are already under construction or have been completed, and more than $6.7 billion has been paid out to contractors for construction work performed on highway projects. My own state of Tennessee has been a leader in moving Recovery Act funds into construction and has already paid out 40 percent of its apportionment to contractors for work performed.

Table 1 - Latest Update on Use of ARRA Highway Funds

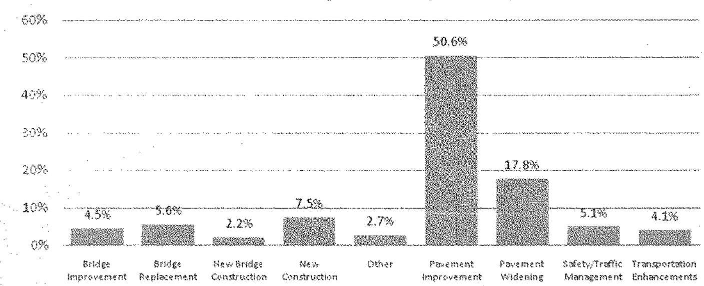
| | Obligations for Highway Projects | | Under Construction or Completed | | | |
|---|---|---|---|---|---|---|
| | Number of Projects | Amount | Number of Projects | Amount | Outlays | Flexed to Other Modes |
| ALABAMA | 321 | $512,016,313 | 139 | $317,641,692 | $123,925,883 | $1,767,770 |
| ALASKA | 26 | $170,461,487 | 16 | $101,620,607 | $43,542,447 | $5,000,000 |
| ARIZONA | 186 | $520,711,045 | 161 | $397,651,647 | $117,933,913 | $1,047,382 |
| ARKANSAS | 115 | $343,673,424 | 81 | $194,526,270 | $69,189,396 | |
| CALIFORNIA | 912 | $2,533,631,865 | 438 | $1,514,360,004 | $314,707,172 | $30,618,195 |
| COLORADO | 103 | $385,574,130 | 70 | $305,685,055 | $117,262,500 | $18,600,000 |
| CONNECTICUT | 137 | $298,479,152 | 37 | $199,097,755 | $50,904,167 | $2,800,000 |
| DELAWARE | 32 | $121,686,423 | 27 | $103,020,964 | $27,176,776 | |
| DIST. OF COLUMBIA | 15 | $123,507,842 | 12 | $96,732,853 | $10,949,796 | |
| FLORIDA | 589 | $1,331,115,578 | 312 | $883,378,684 | $184,590,433 | $1,583,590 |
| GEORGIA | 363 | $899,871,463 | 150 | $464,574,972 | $95,250,013 | $30,000,000 |
| HAWAII | 23 | $125,746,380 | 13 | $47,411,763 | $8,163,666 | |
| IDAHO | 74 | $178,878,631 | 63 | $167,317,746 | $45,105,879 | $3,056,000 |
| ILLINOIS | 747 | $931,844,611 | 580 | $800,293,778 | $428,716,230 | |
| INDIANA | 1088 | $642,836,528 | 819 | $510,843,451 | $203,003,041 | $240,000 |
| IOWA | 233 | $357,623,007 | 225 | $349,422,572 | $214,019,305 | $539,424 |
| KANSAS | 146 | $348,200,758 | 65 | $219,488,951 | $55,906,890 | |
| KENTUCKY | 107 | $420,106,730 | 36 | $360,350,639 | $125,768,120 | $955,644 |
| LOUISIANA | 110 | $430,465,260 | 51 | $327,206,487 | $33,227,043 | |
| MAINE | 74 | $131,002,032 | 72 | $123,983,564 | $91,418,895 | |
| MARYLAND | 170 | $414,534,777 | 98 | $241,559,329 | $112,391,219 | $17,100,000 |
| MASSACHUSETTS | 84 | $378,205,755 | 40 | $186,429,290 | $45,305,110 | $59,659,500 |
| MICHIGAN | 720 | $845,306,718 | 538 | $754,069,994 | $227,101,477 | $606,119 |
| MINNESOTA | 205 | $501,100,113 | 148 | $358,988,335 | $235,064,041 | |
| MISSISSIPPI | 169 | $354,564,343 | 74 | $286,640,358 | $149,018,795 | $1,705,015 |
| MISSOURI | 332 | $637,286,988 | 220 | $494,442,098 | $184,140,814 | $365,139 |
| MONTANA | 84 | $212,470,571 | 69 | $165,226,519 | $63,531,652 | |
| NEBRASKA | 121 | $229,763,012 | 73 | $175,593,888 | $78,932,488 | |
| NEVADA | 69 | $201,352,460 | 18 | $85,196,234 | $32,589,425 | |
| NEW HAMPSHIRE | 34 | $129,440,556 | 29 | $120,587,025 | $51,049,624 | |
| NEW JERSEY | 161 | $651,774,480 | 46 | $418,095,190 | $154,954,046 | |
| NEW MEXICO | 92 | $252,644,377 | 38 | $179,086,769 | $62,218,211 | |
| NEW YORK | 443 | $944,468,723 | 326 | $675,201,486 | $211,983,210 | $175,466,000 |
| NORTH CAROLINA | 381 | $730,409,684 | 324 | $693,939,168 | $191,702,693 | $5,117,000 |
| NORTH DAKOTA | 162 | $167,146,497 | 118 | $132,313,096 | $75,023,299 | $2,980,000 |
| OHIO | 388 | $912,027,922 | 218 | $489,376,336 | $127,617,546 | $16,850,000 |
| OKLAHOMA | 275 | $463,484,505 | 183 | $413,571,066 | $256,055,424 | |
| OREGON | 317 | $272,759,771 | 246 | $210,163,853 | $121,271,732 | $62,276,713 |
| PENNSYLVANIA | 303 | $1,026,404,219 | 298 | $1,004,535,123 | $261,676,295 | |
| RHODE ISLAND | 64 | $137,445,725 | 59 | $134,297,338 | $51,358,785 | |
| SOUTH CAROLINA | 174 | $463,309,029 | 109 | $296,938,110 | $98,658,634 | $2,037,200 |
| SOUTH DAKOTA | 51 | $186,280,224 | 34 | $161,476,939 | $77,861,462 | |
| TENNESSEE | 317 | $573,001,043 | 301 | $566,704,290 | $235,695,171 | $500,000 |
| TEXAS | 453 | $2,210,111,066 | 321 | $1,249,045,662 | $433,456,002 | $17,000,000 |
| UTAH | 115 | $213,919,543 | 103 | $202,506,546 | $148,254,651 | $1,961,852 |
| VERMONT | 70 | $125,791,291 | 42 | $86,665,221 | $61,221,398 | |
| VIRGINIA | 137 | $647,230,364 | 22 | $128,875,850 | $51,586,840 | $48,430,459 |
| WASHINGTON | 213 | $491,746,976 | 171 | $427,134,729 | $175,240,105 | $652,443 |
| WEST VIRGINIA | 145 | $210,647,666 | 105 | $179,923,895 | $76,985,810 | |
| WISCONSIN | 401 | $526,944,663 | 398 | $524,495,543 | $201,460,899 | |
| WYOMING | 65 | $157,616,058 | 60 | $154,661,058 | $89,035,593 | |
| **STATE TOTAL** | **12,116** | **$26,076,621,778** | **8,196** | **$18,682,349,792** | **$6,703,204,017** | **$508,915,445** |
| Territories, fed lands | 197 | $455,542,057 | 109 | $297,720,011 | $13,316,511 | $0 |
| **GRAND TOTAL** | **12,313** | **$26,532,163,835** | **8,305** | **$18,980,069,804** | **$6,716,520,528** | **$508,915,445** |

Source: Federal Highway Administration web site

When airport and transit construction projects are included, the total number of projects financed by ARRA transportation funds jumps to almost 14,000 nationwide, for which $37.5 billion has been obligated.

Pavement improvement has been the main focus for ARRA obligations. Just over half of obligated funds (50.6 percent) are going towards pavement improvement projects (see Figure 4). Pavement widening projects account for 17.8 percent of total obligations, followed by new construction (7.5 percent) and bridge replacement (5.6 percent). Although the initial focus of ARRA was on projects that could be awarded and started quickly, these are also typically projects that have shorter duration.

Fig. 4 - ARRA Obligations - Type of Projects




Source: ARTBA Analysis of FHWA Weekly Report, March 12, 2010

According to the March 12 weekly update from the FHWA, a total of 1,740 projects valued at $1.9 billion have been completed. That includes $1.74 billion in pavement improvement projects. FHWA also reports there is over $16.7 billion worth of projects that have received a "notice to proceed" and have not been completed. Of this total, $8.3 billion is for pavement improvement. There is a total of nearly $7.7 billion in ARRA funding nationwide that has been obligated, but still had not received a notice to proceed. This indicates there are still substantial ARRA projects that are working their way through the process, and as expected, the stimulus funding should help support the 2010 construction season.

**State Diversity in Utilizing ARRA Funds**

There is a great diversity in how states are using their ARRA funds and how quickly projects are moving. Approximately 28 percent of all ARRA obligations have not yet received a "notice to proceed." FHWA's issuance of a notice to proceed is a precursor to State DOTs putting out a notice to bid and a contract award. The funding has been obligated for these projects, but the next step has not been taken. At the state level, there is a wide range of ARRA funds that have not yet received a notice to proceed, from Virginia, with 81 percent of obligated funds not under notice, to Wisconsin, Indiana, Illinois and Iowa, where nearly all funds have received a notice to proceed.

While there can be substantive reasons that differ among the states for the lag between obligation and contract awards, it is clear that an obligation of funds is not synonymous with project activity. This point has been a source of substantial confusion throughout the implementation of the recovery act. To be clear, job creation and economic activity begin when contracts are awarded to a firm and not before. As such, a state must get to the point of contract awards before the primary goals of the ARRA can be realized.

We are also observing diversity in the types of projects being supported by the ARRA. For example, in my home state of Tennessee 35 percent of ARRA obligations are for pavement widening projects, followed by 32 percent for pavement improvements. They have also put ten percent of funding toward bridge replacement. Nearly 71 percent of ARRA obligations in Tennessee are under a notice to proceed. In fact, the Tennessee Road Builders Association recently commended the Tennessee Department of Transportation for the speed at which they were able to advance ARRA highway projects and for allocating these funds to a broad array of project types.

In Alabama 64 percent of ARRA obligations have been for pavement improvement, and 19 percent of funds have been for pavement widening. The state has also obligated $59.7 million, 12 percent of total obligations, towards new construction.

| Status of ARRA Projects in Tennessee (value in millions $) | | | |
|---|---|---|---|
| Type of Project | Total Obligation | Current Projects Under Notice to Proceed | Completed Projects |
| Bridge Replacement | $58.6 | $52.9 | $5.2 |
| New Bridge Construction | $25.7 | $0.4 | $0.0 |
| New Construction | $44.7 | $44.7 | $0.0 |
| Other | $3.3 | $3.3 | $0.0 |
| Pavement Improvement | $193.6 | $54.1 | $136.1 |
| Pavement Widening | $206.8 | $206.8 | $0.0 |
| Safety/Traffic Management | $38.2 | $37.5 | $0.1 |
| Transportation Enhancements | $28.2 | $25.6 | $0.0 |
| Total | $599.2 | $425.3 | $141.4 |

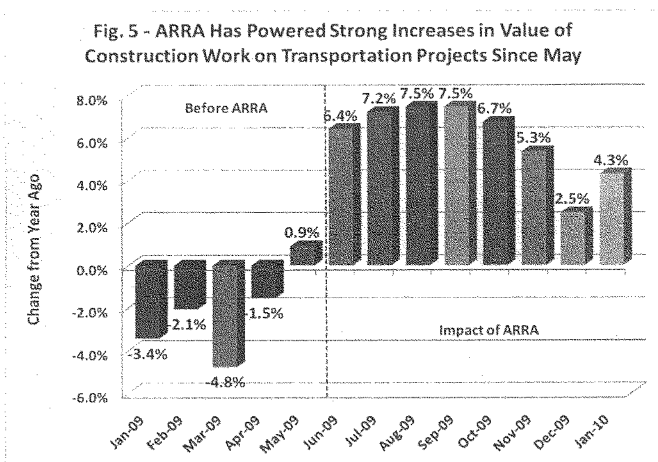
Source: ARTBA analysis of FHWA Weekly Report, March 12, 2010

| Status of ARRA Projects in Alabama (value in millions $) | | | |
|---|---|---|---|
| Type of Project | Total Obligation | Current Projects Under Notice to Proceed | Completed Projects |
| Bridge Improvement | $0.2 | $0.2 | $0.0 |
| Bridge Replacement | $1.1 | $0.3 | $0.1 |
| New Construction | $59.7 | $59.5 | $0.0 |
| Other | $6.2 | $0.6 | $0.0 |
| Pavement Improvement | $327.2 | $213.2 | $19.4 |
| Pavement Widening | $95.4 | $21.8 | $0.0 |
| Safety/Traffic Management | $5.9 | $2.2 | $0.0 |
| Transportation Enhancements | $16.4 | $0.6 | $0.0 |
| Total | $512.0 | $298.2 | $19.5 |

Source: ARTBA analysis of FHWA Weekly Report, March 12, 2010

### Impact of ARRA on Transportation Construction Activity

The final measure that ARTBA tracks is the value of construction work put in place on transportation projects, where there has also been a dramatic impact from the ARRA. The value of construction put in place represents the current value of work that is underway in a given time period, regardless of when the project was awarded.

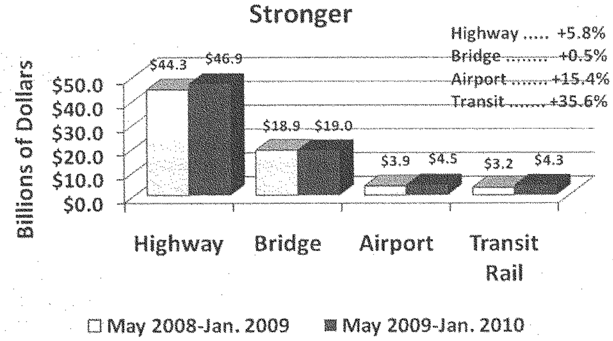



Source: U.S. Census Bureau, Value of Construction Put in Place

As Figure 5 shows, the value of construction work performed on transportation projects during the first four months of 2009—before ARRA funds began to have an impact--was substantially below the comparable months of 2008. But once the ARRA transportation funds began to kick in, the value of construction work put in place on transportation projects started to grow, beginning in May 2009. During every month since, construction activity on transportation projects has been substantially stronger than during the same month of the previous year, as the chart shows.

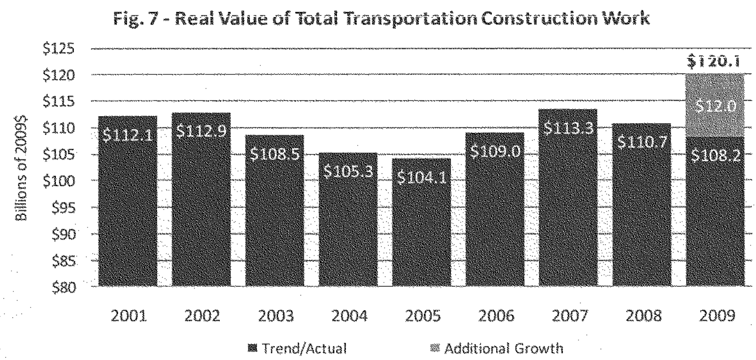
Every mode has benefited from ARRA transportation funds. Figure 6 shows that the value of construction work performed on highway pavements, bridges, airports and transit rail projects during the nine months between May 2009 and January 2010 (the latest data for this measure) was higher than during the same nine months a year earlier, before Congress enacted the ARRA. Furthermore, as construction work begins on many of the new contracts awarded during the past few months, the impact of the ARRA on transportation construction activity should become even more dramatic as the 2010 construction season gets underway.

Fig. 6 - Value of Construction Work on Transportation Projects is Up, Will Grow Even Stronger




Source: U.S. Census Bureau, Value of Construction Put in Place

The real value of all transportation construction work, put in terms of 2009 dollars, was $110.7 billion in 2008, down 2.3 percent from 2007. Had that trend continued, the real value of transportation work in 2009 would have been $108.2 billion. Instead the work on all modes finished up 8.5 percent at $120.1 billion—a $12 billion total increase (as indicated in Figure 7). While this is a total market report not segmented by funding source, the increased federal transportation investments provided in the FY 2009 appropriations process and the ARRA clearly contributed to this growth.




Source: ARTBA Analysis of Census Bureau Data; ARTBA Price Index; FHWA ARRA Data

**Impact of ARRA on Jobs**

Finally, I would like to point out that ARRA transportation funds are having a significant impact on jobs. The purpose of the ARRA was to preserve and protect jobs that would otherwise be lost due to the economic recession. And it is doing just that.

In recent testimony submitted to the Joint Economic Committee, the Congressional Budget Office (CBO) testified that the measure of employment it uses to evaluate stimulus legislation is "the cumulative effects on years of full-time-equivalent employment per million dollars of total budgetary cost.[1]" There are currently just under $19 billion of ARRA-financed highway and bridge construction projects that are either underway or completed. According to the Federal Highway Administration, every $1 billion of construction work performed on highway projects supports more than 27,800 full-time-equivalent jobs on an annual basis. The ARRA-financed projects that are currently under way or completed are supporting or have supported a total of 528,000 full-time equivalent jobs. This includes 181,000 on-site construction jobs and 82,000 jobs in supplier industries as well as another 265,000 jobs in the rest of the economy as workers in construction and supplier industries spend their earnings. State-by-state data are shown in Table 2.

The results shown in Table 2 may differ from job numbers developed through reports of ARRA funding recipients, for a number of reasons. The numbers in Table 2 represent full-time jobs supported if the funds were spent during a single year. Since highway projects often take more than one year to complete, the actual number of jobs supported at any particular time will be lower but the jobs will last for more than a single year. Whether one looks at recipient reports or follows the FHWA job estimate extrapolation model favored by CBO, the employment supporting impact of the ARRA transportation funds are undeniable.

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[1] Congressional Budget Office. "Policies for Increasing Economic Growth and Employment in the Short Run." Statement of Douglas W. Elmendorf, Director, prepared for the Joint Economic Committee, February 2010, p.8.

**Conclusion**

In summary, Mr. Chairman, the transportation components of the Recovery Act have been a clear success story. Federal funds have been deployed at a rapid pace and thousands of projects are underway. Construction work is being performed and many contractors across the nation have been able to sustain—if not add to—their workforce.

The ARRA transportation investments have and will continue to provide a much-needed boost to U.S. transportation construction industry. I can state with all certainty that as bad as things are right now, they would have been much worse without the recovery act. It is also clear that my firm and others in this sector are continuing to struggle through a very difficult time, with unemployment at record levels and substantial uncertainty about future state and federal transportation investments.

The American public, the Congress and the President also need to understand that the ARRA provides only a temporary solution. It will continue to support transportation construction work and jobs in 2010, but after that its impact will phase down quickly. Many of the jobs supported by the bill this year and next will then begin to disappear.

Adding to this concern, ARTBA members continue to report that the ability of states to continue to keep the transportation project pipeline full is becoming compromised. I know the last thing this Committee wants to see is transportation improvement projects drying up after the recovery act funds are utilized. To this end, we urge you to ask the Federal Highway Administration to perform an assessment of the adequacy of planning, design, procurement and other preliminary activities underway at the state level to ensure the foundation exists to continue advancing surface transportation improvements in the future.

To sustain and build on the ARRA and re-energize the long-term growth potential of the United States, we must also not lose sight of the need to enact a six-year surface transportation authorization bill at the $500 billion funding level proposed by you and your Committee as soon as possible.

We are certainly aware of the difficulties facing reauthorization. But there are also grave consequences for failing to act in terms of lost jobs following the utilization of ARRA funds to the ongoing congestion tax that impedes the quality of life of all Americans and extracts billions of dollars each year from our economy. We pledge to continue to work with this Committee and all members of Congress to overcome these challenges and help deliver the long-term surface transportation bill our nation needs.

Thank you for the opportunity to testify, and I will be happy to answer any questions.

Table 2 - ARRA Highway Projects Under Construction or Completed Support 528,000 Jobs

| | Value of ARRA Highway Proj. Under Construction or Completed | Onsite Construction Jobs | Jobs in Supplier Industries | Jobs in the Rest of the Economy | Total Jobs |
|---|---|---|---|---|---|
| ALABAMA | $317,641,692 | 3,029 | 1,373 | 4,435 | 8,838 |
| ALASKA | $101,620,607 | 969 | 439 | 1,419 | 2,827 |
| ARIZONA | $397,651,647 | 3,792 | 1,719 | 5,552 | 11,064 |
| ARKANSAS | $194,526,270 | 1,855 | 841 | 2,716 | 5,412 |
| CALIFORNIA | $1,514,360,004 | 14,442 | 6,548 | 21,143 | 42,134 |
| COLORADO | $305,685,055 | 2,915 | 1,322 | 4,268 | 8,505 |
| CONNECTICUT | $199,097,755 | 1,899 | 861 | 2,780 | 5,539 |
| DELAWARE | $103,020,964 | 983 | 445 | 1,438 | 2,866 |
| DIST. OF COLUMBIA | $96,732,853 | 923 | 418 | 1,351 | 2,691 |
| FLORIDA | $883,378,684 | 8,425 | 3,820 | 12,334 | 24,578 |
| GEORGIA | $464,574,972 | 4,431 | 2,009 | 6,486 | 12,926 |
| HAWAII | $47,411,763 | 452 | 205 | 662 | 1,319 |
| IDAHO | $167,317,746 | 1,596 | 723 | 2,336 | 4,655 |
| ILLINOIS | $800,293,778 | 7,632 | 3,460 | 11,174 | 22,267 |
| INDIANA | $510,843,451 | 4,872 | 2,209 | 7,132 | 14,213 |
| IOWA | $349,422,572 | 3,332 | 1,511 | 4,879 | 9,722 |
| KANSAS | $219,488,951 | 2,093 | 949 | 3,065 | 6,107 |
| KENTUCKY | $360,350,639 | 3,437 | 1,558 | 5,031 | 10,026 |
| LOUISIANA | $327,206,487 | 3,121 | 1,415 | 4,568 | 9,104 |
| MAINE | $123,983,564 | 1,182 | 536 | 1,731 | 3,450 |
| MARYLAND | $241,559,329 | 2,304 | 1,045 | 3,373 | 6,721 |
| MASSACHUSETTS | $186,429,290 | 1,778 | 806 | 2,603 | 5,187 |
| MICHIGAN | $754,069,994 | 7,192 | 3,261 | 10,528 | 20,980 |
| MINNESOTA | $358,988,335 | 3,424 | 1,552 | 5,012 | 9,988 |
| MISSISSIPPI | $286,640,358 | 2,734 | 1,239 | 4,002 | 7,975 |
| MISSOURI | $494,442,098 | 4,715 | 2,138 | 6,903 | 13,757 |
| MONTANA | $165,226,519 | 1,576 | 714 | 2,307 | 4,597 |
| NEBRASKA | $175,593,888 | 1,675 | 759 | 2,452 | 4,886 |
| NEVADA | $85,196,234 | 813 | 368 | 1,190 | 2,370 |
| NEW HAMPSHIRE | $120,587,025 | 1,150 | 521 | 1,684 | 3,355 |
| NEW JERSEY | $418,095,190 | 3,987 | 1,808 | 5,837 | 11,633 |
| NEW MEXICO | $179,086,769 | 1,708 | 774 | 2,500 | 4,983 |
| NEW YORK | $675,201,486 | 6,439 | 2,920 | 9,427 | 18,786 |
| NORTH CAROLINA | $693,939,168 | 6,618 | 3,001 | 9,689 | 19,307 |
| NORTH DAKOTA | $132,313,096 | 1,262 | 572 | 1,847 | 3,681 |
| OHIO | $489,376,336 | 4,667 | 2,116 | 6,833 | 13,616 |
| OKLAHOMA | $413,571,066 | 3,944 | 1,788 | 5,774 | 11,507 |
| OREGON | $210,163,853 | 2,004 | 909 | 2,934 | 5,847 |
| PENNSYLVANIA | $1,004,535,123 | 9,580 | 4,344 | 14,025 | 27,949 |
| RHODE ISLAND | $134,297,338 | 1,281 | 581 | 1,875 | 3,737 |
| SOUTH CAROLINA | $296,938,110 | 2,832 | 1,284 | 4,146 | 8,262 |
| SOUTH DAKOTA | $161,476,939 | 1,540 | 698 | 2,255 | 4,493 |
| TENNESSEE | $566,704,290 | 5,405 | 2,450 | 7,912 | 15,767 |
| TEXAS | $1,249,045,662 | 11,912 | 5,401 | 17,439 | 34,752 |
| UTAH | $202,506,546 | 1,931 | 876 | 2,827 | 5,634 |
| VERMONT | $86,665,221 | 827 | 375 | 1,210 | 2,411 |
| VIRGINIA | $128,875,850 | 1,229 | 557 | 1,799 | 3,586 |
| WASHINGTON | $427,134,729 | 4,074 | 1,847 | 5,964 | 11,884 |
| WEST VIRGINIA | $179,923,895 | 1,716 | 778 | 2,512 | 5,006 |
| WISCONSIN | $524,495,543 | 5,002 | 2,268 | 7,323 | 14,593 |
| WYOMING | $154,661,058 | 1,475 | 669 | 2,159 | 4,303 |
| **STATE TOTAL** | **18,682,349,792** | **178,174** | **80,782** | **260,843** | **519,799** |
| Territories, fed lands | 297,720,011 | 2,839 | 1,287 | 4,157 | 8,283 |
| **GRAND TOTAL** | **$18,980,069,804** | **181,013** | **82,070** | **265,000** | **528,082** |

Source: ARTBA calculations from FHWA data

**Stephen D. Wright**
**President, Wright Brothers Construction Co., Inc.**
**Responses to Questions from Congressman John Mica**
**House Transportation & Infrastructure Committee Hearing**
**March 26, 2010**

1. **In the beginning of your testimony, you stated that your company was awarded three ARRA projects totaling $1.4 million, while saving five jobs. You also stated that you received an additional $55 million for another project and created 19 jobs—a rate of $2.9 million a job. Is this the normal going rate for ARRA funds in, jobs out?**

The discussion of jobs relating to American Recovery & Reinvestment Act (ARRA) transportation funds has been confused by many from the outset and I appreciate the opportunity to clarify the actual impact of these investments. Transportation project costs include materials, equipment and labor. At the end of the process a tangible asset is in place that will produce benefits for years to come. This is certainly distinct from other ARRA funded activities where short-term salaries are the predominate use of the funds. For my company, salaries historically represent about 25 percent of a project's overall costs. It is also important to understand that labor costs will vary with different types of construction activity. For example, our company performs significant earth moving and bridge construction and these activities are very labor intensive and, therefore, will have higher labor costs. On the other hand, activities like paving will have higher percentages of materials and equipment costs than we experience.

For these reasons, it would be totally inappropriate to assign the entire $55 million project Wright Brothers was awarded in Alabama to personnel. I also testified that 50 percent of the project is subcontracted to other firms and the 19 people I said we hired were only on Wright Brothers portion of the project. Assessing the full job impact of this project would require you to also collect employment details from our subcontractors. Furthermore, our 19 new hires are not the only Wright Brothers' employees working on the project and, as I forecast in my testimony, we have brought on six to eight new employees to work on this project since the March 26 hearing.

In closing, calculating a standard ratio of project costs to jobs is very difficult, if not impossible, as no two transportation projects are exactly the same. Similarly, no two construction firms are exactly the same—particularly when it comes to internal cost structures.

2. **Your testimony stated that January of this year was the lowest employment level in your company so far, despite it being nearly a year after the ARRA funds were announced. Has the overall trend of increasingly fewer jobs continued despite the ARRA funds?**

According to the Bureau of Labor Statistics (BLS), employment in the highway, street and bridge construction sector has been steadily declining since 2005, which is most likely explained by the significant increase in material prices and other adjustments in the real market. Whereas from 2005 to 2007 we saw total annual employment drops of several thousand jobs, since 2008 this industry shed 71,400 jobs. These figures are only direct construction jobs and do not include employment in the project development process or supply chain. As my testimony indicated, Wright Brothers direct experience has been consistent with this national trend.

Although these developments seem to cloud the efficacy of the ARRA's transportation investments, the BLS employment data are based on total construction activity, so any analysis of this information must look beyond federal investments in either the ARRA or the core federal highway program. As my testimony indicated, in 2008 28 states cut the value of their highway and bridge contract awards from the previous year and 25 states cut their awards in 2007. Contract awards are a leading indicator of construction activity and related employment. It is not surprising that when more than half the states scaled back total contract awards over a two-year period, it produced a situation where employment in the transportation construction sector was declining. It should be pointed out that federal highway investment increased by $3.4 billion in FY 2007 and $2.1 billion in FY 2008. As such, the decline in contract awards is solely attributable to a pull back of investments by state and local governments and the private sector.

Following enactment of the Recovery Act, 36 states and the District of Columbia increased the value of their highway and bridge contract awards in 2009. While this portends well for the future, it is unclear how much of this increase is due to the ARRA. If state and private sector investments do not rebound, the increased activity in 2009 could be short lived. This potential market instability is one of the many reasons why Congress must act as soon as possible on a multi-year reauthorization of the federal surface transportation program.

In short, the employment trend described in this question was well underway prior to enactment of the ARRA and is due to the non-federal participants in the U.S. highway construction market. The data show highway and street construction employment has continued to decline since enactment of the ARRA, but given that $20.7 billion of recovery act highway funds are under construction, it is clear this situation would have been substantially worse without these investments.

3. **Have there been many procedural delays in getting the money obligated and projects started?**

States and local governments did an admirable job in obligating all ARRA highway, public transportation and airport funds within the deadlines specified in the Act. Certain states obligated their funds faster than others, for example, Tennessee had 80 percent of its highway funds obligated by June 30, 2009—which was the deadline for obligating 50 percent of funds apportioned to the state.

While the performance in obligating these funds has been unprecedented, we must also be clear that obligating funds is not synonymous with creating jobs and advancing transportation improvements. We have seen substantial diversity in the rate at which different states have moved from obligation to actual construction activity. As of March 26, approximately 28 percent of all projects for which ARRA funds are committed had not received a "notice to proceed" to construction from state departments of transportation, even though the federal approval process had been completed. As an example, at the time of this hearing Virginia had not issued a "notice to proceed" on over 80 percent of its ARRA highway funds while several other states had advanced virtually all of their projects to the construction phase.

I certainly recognize there may be substantive reasons to account for the diversity among the states in moving forward with ARRA projects. This situation exacerbates the confusion about ARRA transportation employment benefits from the media and elected officials at all levels. The simple fact is that if a state has not reached the stage where it can award contracts with 80 percent of its available funding, that state will have seen little job impacts from those investments.

**4. Your testimony explained that state governments were slashing highway projects. Has that trend continued despite the arrival of ARRA funds?**

We have seen a significant turnaround and stabilization in the highway and bridge construction market since the introduction of ARRA. Although there are individual states that continue to struggle and have cut their programs in the current economic environment, the nationwide evidence is that 36 states and the District of Columbia increased the value of their contract awards in calendar year 2009 as compared to 2008. In real terms, when you account for material prices and inflation, highway and bridge contract awards recovered from a downturn in 2008 and have climbed back up to the 2007 level. This is a positive leading indicator for the 2010 construction season.

This is not to say that state programs are not struggling. Again, there are 14 states that have decreased the value of their contract awards. The most recent Survey of State Budget Officers done for the National Governors Association reported that 25 states are cutting their General Fund expenditures for transportation. Although this is a small part of the overall transportation program, and most programs are financed by dedicated user fees, it does illustrate the challenges many states are facing. Furthermore, as I already stated, it remains to be seen if the increase in market activity in 2009 and the beginning of 2010 is a combination of ARRA funds and increased state activity. If transportation investment at the state level is not growing, we could see potential backsliding once all ARRA funds are utilized.

**5. Are the jobs supported by the ARRA funds sustainable? How long does a typical highway project that your company works on last, and what do you do with the workers when the project is finished?**

The ARRA transportation investments were a one-time infusion of capital specifically structured to generate employment and economic benefits quickly. As such, the jobs supported by these investments are only sustainable if a separate source of funding increases to fill the gap as ARRA funding winds down. This could come from increases at the federal, state and local level, or a re-emergence of the private construction market. As I mentioned earlier, enactment of a multi-year surface transportation reauthorization bill with robust investment levels would help prevent a deterioration of the economic benefits generated by the ARRA's transportation investments.

The duration of a highway project varies with the complexity of the work undertaken. The projects on which Wright Brothers works typically have duration of 36 to 48 months. As an example, the ARRA project we won in Alabama involves significant capacity enhancement and bridge reconstruction. The start date for this project was August 2009 and we expect to have it completed by November 2012. Obviously, this type of activity is clearly going to take longer than a paving project, which can be completed in a matter of months.

Once a project is completed, our hope and goal is to move the workers from that project to another one. Construction sector jobs are unique from others in the economy in that jobs only exist if we have projects on which people can work. If our company does not have a backlog of projects, we do not have the ability to move employees from job to job. For these reasons, we are always very conservative about making new hires as the last thing we want to do is lay someone off after a short time. We have been fortunate in the past in that we have been able to keep most of our employees working throughout a construction season. The uncertainty at the federal and state level and the reality that ARRA investments were a one-time boost, however, is creating a situation where our company and many in our sector may not have enough work to keep our employees on the payroll for as long as we have in previous years.

**6. Has the increase of new highway contracts awarded led to many new jobs? Or have the project been mainly worked on by already employed workers who now have more to do?**

The answer to this question is going to vary from contractor to contractor and will be influenced by their unique situation, the level of work they have won, and existing backlogs. The national data from BLS that I cited earlier shows total highway, street, and bridge construction employment in 2009 was at a 10-year low. As such, any new jobs are going to be firm specific and, as I already mentioned, we have hired over 25 new employees to work on one project.

Certainly, the fact that contract awards declined for most states in 2007 and 2008 contributed to this situation. Although contract awards significantly increased in 2009, we are still digging out of a fairly steep hole. The fact that the private sector construction market has basically evaporated should also not be overlooked when analyzing the continuing declines in transportation construction industry employment.

As I mentioned in the answer to the last question, Wright Brothers is very conservative about hiring new people because we want to make sure we can retain these employees over the long-term. I believe most firms in our sector share this goal of building a lasting relationship with their workforce. As such, it is not surprising that a firm may hold off on significant personnel expansions even when a short-term infusion of resources, such as from the ARRA, hits the marketplace. This is particularly true if the other components (federal, state, local and private) are either declining or maintaining, as we are currently seeing. Again, the answer will be firm-specific and much of the data at this stage is anecdotal, but it seems most of the recovery act funds helped retain existing jobs as opposed to creating new ones.

**7. Fig. 4 in your testimony states that over 50 % of ARRA obligations are going to pavement improvement. Are all of these improvements critically necessary, and do they provide the best improvement in infrastructure for Americans compared to things like new bridges and widened roads?**

First and foremost, there are no value tiers for transportation improvements. Certainly, capacity projects are critical to increasing system efficiency and expanding access, but maintenance projects are equally important for safety purposes and to make existing assets last longer and cost less. It is true that most of the ARRA funds were allocated to pavement improvements, but those decisions were made by state and local officials, presumably based on the needs of their community. While maintenance activities may account for a significant portion of ARRA funds, the fact that a number of states are also advancing significant capacity projects should not be overlooked. In short, yes… all of these activities are critically necessary.

There is a common misconception that the ARRA directed a specific type of activity, when in fact the legislation left that decision solely up to state departments of transportation and local governments. Since most of the ARRA funded projects were already planned and designed when the legislation was enacted, and simply in need of resources, these were clearly projects state and local officials had already determined were necessary.

ARTBA remains concerned, however, with reports that the ability of states to keep the transportation project pipeline full is becoming compromised. To this end, we urge you to ask the Federal Highway Administration to perform an assessment of the adequacy of planning, design, procurement and other preliminary activities underway at the state level to ensure the foundation exists to maintain an uninterrupted, stable flow of transportation improvements in the future.

**8. Your testimony states that approximately 28% of all ARRA obligations have not yet received a "notice to proceed." What is the significance of "notice to proceed?" Is this when jobs actually get created?**

Understanding the process federal-aid highway funds follow to the construction phase of a project is important for developing a realistic expectation of when job creation and other benefits will materialize. Following the apportionment of contract authority, states present project plans to the FHWA. Once these plans are approved, or executed, funds are deemed to be "obligated" for a specific project. This is an important step in the process, but also primarily a paperwork development. States then put projects out to bid, collect bids, and award the contract to the lowest bidder. At some point after the awarding of a contract, the state issues a "notice to proceed" allowing the contractor to begin work on the project. As such, a "notice to proceed" signifies a project is, or will soon be, under construction.

In general, job creation begins when a firm is awarded a contract for a highway or bridge improvement. That said, in some cases a firm may begin hiring and training needed workers and ordering materials, supplies and equipment once it learns it is the low bidder on the project, which can be a matter of weeks before the contract is awarded.